

FEDERAL REGISTER

THE NATIONAL ARCHIVES
LITTERA
SCRIPTA
MANET
OF THE UNITED STATES
1934

VOLUME 26 NUMBER 203

Washington, Friday, October 20, 1961

Contents

Agricultural Marketing Service

NOTICES:

Fresh Irish potatoes; notice of Diversion Payment Program CMD 3a 9876

RULES AND REGULATIONS:

Grapefruit grown in Arizona, Imperial Valley, California, and part of Riverside County, California; expenses and rate of assessment, 1961-62 fiscal year, and carry-over of unexpended funds; correction 9852

Agricultural Research Service

NOTICES:

Identification of carcasses of certain humanely slaughtered livestock; supplemental list of humane slaughterers 9877

RULES AND REGULATIONS:

Texas (splenic) fever in cattle; areas regulated in Florida 9847
Tuberculosis in cattle; restrictions on interstate movement 9847

Agricultural Stabilization and Conservation Service

PROPOSED RULE MAKING:

Milk in certain designated marketing areas:
Central Arkansas and Memphis, Tennessee 9860
Colorado Springs-Pueblo 9869
Northern Louisiana 9865
North Texas 9863

Agriculture Department

See Agricultural Marketing Service; Agricultural Research Service; Agricultural Stabilization and Conservation Service.

Atomic Energy Commission

NOTICES:

Kentucky; proposed agreement for discontinuance of certain regulatory authority and responsibility 9877

PROPOSED RULE MAKING:

Exemptions and continued regulatory authority in agreement States under section 274 9873

Civil Service Commission

RULES AND REGULATIONS:

Small Business Administration; exceptions from the competitive service 9847

Defense Department

See Navy Department.

Federal Aviation Agency

RULES AND REGULATIONS:

Control area extensions, high altitude navigational aid and terminal jet advisory area; alteration 9849
Control zone; alteration 9848
Douglas DC-8 Series aircraft; airworthiness directive 9847
Federal airways; alterations (2 documents) 9848
Minimum en route IFR altitudes; miscellaneous amendments 9849

Food and Drug Administration

PROPOSED RULE MAKING:

Bacitracin-neomycin tablets; moisture 9873
Food additives; notice of filing of petition 9873

RULES AND REGULATIONS:

Food additives; polysorbate 80 permitted in food for human consumption 9856

General Services Administration

RULES AND REGULATIONS:

Federal procurement regulations; miscellaneous amendments 9852

Health, Education, and Welfare Department

See Food and Drug Administration; Public Health Service.

Immigration and Naturalization Service

PROPOSED RULE MAKING:

Applications for discretionary benefits 9858

Interior Department

See Land Management Bureau.

Interstate Commerce Commission

NOTICES:

Fourth section applications for relief 9880
Motor carrier transfer proceedings 9881

Justice Department

See Immigration and Naturalization Service.

Labor Department

See Wage and Hour Division.

Land Management Bureau

NOTICES:

Oregon; notice of proposed withdrawal and reservation of lands 9876

Navy Department

RULES AND REGULATIONS:

Naval Reserve and Marine Corps Reserve; miscellaneous amendments 9855

Post Office Department

RULES AND REGULATIONS:

Customs; directory of international mail; miscellaneous amendments 9857

Public Health Service

RULES AND REGULATIONS:

Medical examination of aliens; inclusion of leprosy and tuberculosis as dangerous contagious diseases 9856

Securities and Exchange Commission

NOTICES:

International African American Corp.; filing of application 9879

(Continued on next page)

Treasury Department

NOTICES:

Illinois National Insurance Co.; surety companies acceptable on Federal bonds.....	9876
Sale and distribution of set of uncirculated coins.....	9876

Codification Guide

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date, appears at the end of each issue beginning with the second issue of the month.

Monthly, quarterly, and annual cumulative guides, published separately from the daily issues, include the section numbers as well as the part numbers affected.

5 CFR	
6.....	9847
7 CFR	
955.....	9852
PROPOSED RULES:	
908.....	9860
918.....	9860
943.....	9863
966.....	9865
994.....	9869
8 CFR	
PROPOSED RULES:	
242.....	9858
243.....	9859
245.....	9859
249.....	9860
299.....	9860
9 CFR	
72.....	9847
77.....	9847
10 CFR	
PROPOSED RULES:	
150.....	9873
14 CFR	
507.....	9847
600 (2 documents).....	9848
601 (2 documents).....	9848, 9849
602.....	9849
610.....	9849
21 CFR	
121.....	9856
PROPOSED RULES:	
121.....	9873
141e.....	9873
32 CFR	
713.....	9855
39 CFR	
151.....	9857
168.....	9857
41 CFR	
1-2.....	9852
1-7.....	9853
1-16.....	9853
42 CFR	
34.....	9856

Now Available

CFR SUPPLEMENTS

(As of January 1, 1961)

The following book is now available:

Titles 1-4 (Revised) \$4.00

Previously announced:

1960 Supplement to Title 3 (\$0.50); Title 5 (Revised) (\$4.00); Title 6 (\$2.25); Title 7, Parts 1-50 (\$0.55); Parts 51-52 (\$0.60); Parts 53-209 (\$0.55); Parts 210-399 (\$0.35); Parts 400-899 (\$1.25); Parts 900-959 (\$1.75); Parts 960 to end (\$2.75); Title 8 (\$0.40); Title 9 (\$0.40); Titles 10-13 (\$0.75); Title 14, Parts 1-199 (Revised) \$3.75; Parts 200-399 (Revised) (\$1.50); Parts 400-599 (Revised) (\$1.00); Parts 600 to end (Revised) (\$2.25); Title 15 (\$1.25); Title 16 (\$0.35); Title 17 (\$1.00); Title 18 (Revised) (\$6.75); Title 19 (Revised) (\$5.50); Title 20 (Revised) (\$5.50); Title 21 (\$1.75); Titles 22-23 (\$0.50); Title 24 (\$0.55); Title 25 (\$0.50); Title 26, Part 1 (\$1.0-1-1.400) (Revised) (\$5.50); Part 1 (\$1.401-1.860) (Revised) (\$5.50); Part 1 (\$1.861 to end) to Part 19 (Revised) (\$5.00); Parts 20-29 (Revised) (\$4.25); Parts 30-39 (Revised) (\$3.50); Parts 40-169 (Revised) (\$4.50); Parts 170-299 (Revised) \$6.25; Parts 300-499 (Revised) (\$4.00); Parts 500-599 (Revised) (\$4.25); Parts 600 to end (Revised) (\$3.00); Title 27 (Revised) (\$3.00); Titles 28-29 (\$1.75); Titles 30-31 (\$0.60); Title 32, Parts 1-39 (Revised) (\$5.50); Parts 40-399 (Revised) (\$4.00); Parts 400-699 (\$2.00); Parts 700-799 (\$1.00); Parts 800-999 (\$0.40); Parts 1000-1099 (\$1.00); Parts 1100 to end (\$0.60); Title 32A (\$0.60); Title 33 (\$1.75); Title 35 (\$0.30); Title 36 (\$0.30); Title 37 (\$0.30); Title 38 (\$1.25); Title 39 (\$1.50); Titles 40-41 (Revised) (\$1.50); Title 42 (\$0.35); Title 43 (\$1.00); Title 44 (\$0.30); Title 45 (\$0.40); Title 46, Parts 1-145 (\$1.25); Parts 146-149 (1961 Supp. 1) (\$1.00); Parts 150 to end (\$1.00); Title 47, Parts 1-29 (\$1.25); Parts 30 to end (\$0.40); Title 49, Parts 1-70 (\$1.00); Parts 71-90 (\$1.00); Parts 91-164 (\$0.50); Parts 165 to end (Revised) (\$5.00); Title 50 (Revised) (\$3.75)

Order from Superintendent of Documents,
Government Printing Office, Washington
25, D.C.

Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

Small Business Administration

Effective upon publication in the **FEDERAL REGISTER**, paragraph (w) is added to § 6.328 as set out below.

§ 6.328 Small Business Administration.

(w) One Special Assistant to the Administrator (ARA).

(R.S. 1753, sec. 2, 22 Stat. 403, as amended; 5 U.S.C. 631, 633)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] WARREN B. IRONS,
Executive Director.

[F.R. Doc. 61-10004; Filed, Oct. 19, 1961; 8:45 a.m.]

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

SUBCHAPTER C—INTERSTATE TRANSPORTATION OF ANIMALS AND POULTRY

PART 72—TEXAS (SPLENETIC) FEVER IN CATTLE

Areas Regulated in Florida

Pursuant to the provisions of sections 1 through 4 of the Act of March 3, 1905, as amended, sections 1 and 2 of the Act of February 2, 1903, as amended, and sections 4 through 7 of the Act of May 29, 1884, as amended (21 U.S.C. 111-113, 115, 117, 120, 121, 123-126), section 72.5a of Part 72, Title 9, Code of Federal Regulations, is hereby amended in the following respects:

1. Subparagraph (3) of paragraph (a) of § 72.5a, relating to Martin County in Florida, is deleted.

2. Subdivision (iv) of subparagraph (5) of paragraph (a) of § 72.5a, relating to Northern Palm Beach County, is deleted.

(Secs. 1-4, 33 Stat. 1264, as amended, 1265, as amended, secs. 1, 2, 32 Stat. 791, as amended, 792, as amended, secs. 4-7, 23 Stat. 32, as amended; 21 U.S.C. 111-113, 115, 117, 120, 121, 123-126)

Effective date. The foregoing amendments shall become effective upon issuance.

The amendments exclude specified areas in Florida from classification as splenetic (tick) fever regulated areas.

Hereafter, the restrictions pertaining to the interstate movement of livestock and pine straw and other litter from quarantined areas contained in 9 CFR Part 71 and Part 72, will not apply to the specified areas in this State. However, the restrictions pertaining to such movement from non-quarantined areas, contained in said Part 71 and Part 72, as amended, will apply thereto.

The amendments are based on a determination that tick vectors of splenic fever no longer exist in the areas being released. This determination was made after a careful investigation of the facts in cooperation with authorities of the State involved, and it does not appear that publication of a notice of rule-making and other public procedure on the amendments would make additional information available to this Department. The amendments relieve certain restrictions presently imposed and must be made effective immediately to be of maximum benefit to persons subject to the restrictions which are relieved. Accordingly, under section 4 of the Administrative Procedure Act (5 U.S.C. 1003), it is found upon good cause that notice and other public procedure with respect to the amendments are impracticable and unnecessary, and the amendments may be made effective less than 30 days after publication in the **FEDERAL REGISTER**.

Done at Washington, D.C., this 17th day of October 1961.

M. R. CLARKSON,
Acting Administrator,
Agricultural Research Service.

[F.R. Doc. 61-10030; Filed, Oct. 19, 1961; 8:49 a.m.]

PART 77—TUBERCULOSIS IN CATTLE

Restrictions on Interstate Movement of Cattle Because of Tuberculosis

Pursuant to § 77.3 of the regulations restricting the movement of cattle because of tuberculosis (9 CFR Part 77), issued under the provisions of sections 1 and 2 of the Act of February 2, 1903, as amended, and sections 4 and 5 of the Act of May 29, 1884, as amended (21 U.S.C. 111-113, 120, 121), and upon the basis of determinations made by the Director of the Animal Disease Eradication Division under said section, § 77.3a of Part 77, Subchapter C, Chapter I, Title 9, Code of Federal Regulations, is hereby amended to read:

§ 77.3a Modified accredited areas.

The following areas are hereby designated as modified accredited areas: The District of Columbia and all portions of all States and Territories of the United States, other than the State of Hawaii, Calhoun and Jackson Counties in Michigan, and Scioto County in Ohio.

(Secs. 4, 5, 23 Stat. 32, as amended, secs. 1, 2, 32 Stat. 791-792, as amended; 21 U.S.C. 111-113, 120, 121; 19 F.R. 74, as amended; 9 CFR 77.3)

Effective date. This amendment shall become effective upon publication in the **FEDERAL REGISTER**.

The amendment removes Scioto County in the State of Ohio from the areas designated as modified accredited areas because such County does not meet the qualifications of such an area as set out in § 77.3.

This amendment imposes certain restrictions necessary to prevent the spread of tuberculosis in cattle and should be made effective promptly in order to accomplish its purpose in the public interest. Therefore, under section 4 of the Administrative Procedure Act (5 U.S.C. 1003), it is found upon good cause that notice and other public procedure with respect to this amendment are impracticable and good cause is found for making the amendment effective less than 30 days after publication in the **FEDERAL REGISTER**.

Done at Washington, D.C., this 16th day of October 1961.

F. J. MULHERN,
Acting Director, Animal Disease Eradication Division,
Agricultural Research Service.

[F.R. Doc. 61-10031; Filed, Oct. 19, 1961; 8:49 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter III—Federal Aviation Agency

SUBCHAPTER C—AIRCRAFT REGULATIONS

[Reg. Docket No. 915; Amdt. 350]

PART 507—AIRWORTHINESS DIRECTIVES

Douglas DC-8 Series Aircraft

Pursuant to the authority delegated to me by the Administrator (25 F.R. 6489), an airworthiness directive was adopted on October 6, 1961, and made effective immediately because of the safety emergency involved, as to all known United States operators of Douglas DC-8 aircraft. This directive sets up interim procedures pending development of modifications to the throttle control system and reversing mechanism.

For this reason it was found that immediate corrective action was required in the interest of safety, that notice and public procedure thereon were impracticable and contrary to the public interest and that good cause existed for making this airworthiness directive effective immediately as to all known U.S. operators of Douglas DC-8 aircraft by individual telegrams dated October 6,

1961. It is hereby published in the FEDERAL REGISTER as an amendment to § 507.10(a) of Part 507 (14 CFR Part 507), to make it effective as to all persons:

DOUGLAS. Applies to all DC-8 aircraft.

Compliance required within the next 10 hours' time in service.

As an interim safety measure pending development of modifications to the throttle control system and reversing mechanism the following procedures shall be followed:

Reverse thrust after landing shall not be used until:

- (a) the main and nose gear of the aircraft are firmly on the ground,
- (b) the blue ejector lights are on steady,
- (c) the reverse power lever is positioned to reverse detent, and
- (d) the amber reverser lights are on steady.

If the amber reverser lights are on steady, additional symmetrical reverse may be used on the inboard engines and thereafter reverse power may be used on the outboard engines if required.

This amendment shall become effective upon publication in the FEDERAL REGISTER for all persons except those to whom it was made effective immediately by telegram dated October 6, 1961.

(Sec. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C. on October 16, 1961.

G. S. MOORE,
Acting Director,
Flight Standards Service.

[F.R. Doc. 61-10006; Filed, Oct. 19, 1961;
8:45 a.m.]

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket No. 61-LA-12]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

Alteration

On June 21, 1961, a notice of proposed rule making was published in the FEDERAL REGISTER (26 F.R. 5526) stating that the Federal Aviation Agency proposed to alter intermediate altitude VOR Federal airway No. 1645.

No adverse comments were received regarding the proposed amendments.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (25 F.R. 12582) and for the reasons stated in the notice, § 600.1645 (26 F.R. 1079) is amended to read:

§ 600.1645 VOR Federal airway No. 1645 (Socorro, N. Mex., to North Platte, Nebr.).

From the Socorro, N. Mex., VOR 12-mile wide airway via the INT of the Socorro VOR 057° and the Las Vegas, N. Mex., VOR 216° radials; to the Las Vegas VOR; thence via the Tobe, Colo., VOR; Lamar, Colo., VOR; INT of the Lamar VOR 033° and the Hayes Center,

Nebr., VOR 209° radials; Hayes Center VOR; to the North Platte, Nebr., VOR.

This amendment shall become effective 0001 e.s.t., December 14, 1961.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on October 13, 1961.

LEE E. WARREN,
Acting Director,
Air Traffic Service.

[F.R. Doc. 61-10009; Filed, Oct. 19, 1961;
8:45 a.m.]

[Airspace Docket No. 61-FW-40]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

Alteration

On June 6, 1961, a notice of proposed rule making was published in the FEDERAL REGISTER (26 F.R. 5009) stating that the Federal Aviation Agency proposed to alter VOR Federal airway No. 17 by realigning the east alternate from the Austin, Texas, VOR to the Waco, Texas, VOR via the intersection of the Austin VOR 046° and the Waco VOR 173° radials. The purpose of this realignment was to provide adequate separation between Victor 17 east alternate, which is utilized by aircraft departing the Mueller Airport, Austin, Tex., and Bergstrom Air Force Base, and the Austin VOR holding pattern area.

The Air Transport Association of America (ATA) submitted the only objection to this proposal and recommended that Victor 17 east alternate be retained as presently designated. The ATA stated that realignment of the airway as proposed would impose an additional six (6) miles distance penalty for aircraft departing Austin for Waco regardless of whether the holding pattern is in use. They recommended maximum utilization of radar vectoring to alleviate the problem of providing separation between departing and holding aircraft. Further, the ATA recommended that application of Amendment 60-21 to Part 60 of the Civil Air Regulations, to this airway, be deferred until an evaluation is made of its application to adjacent controlled airspace.

The Austin VOR holding pattern airspace overlies Victor 17 east alternate, thereby requiring the imposition of excessive altitude restrictions on northbound aircraft departing the Austin terminal area when routing via the main airway is not practicable. Realignment of this airway as proposed would eliminate this conflict. Although not stated in the Notice, an IFR peak-day airway traffic survey of May 5, 1961, revealed that two (2) aircraft utilized Victor 17 east alternate, as heretofore designated, and ten (10) aircraft utilized the routing outlined in the Notice. The terminal radar is utilized for vectoring departures as much as possible, but radar is not available at all times; and when the volume of traffic dictates, departing aircraft are routed via the Austin VOR 046° and the Waco VOR 173° radials to minimize altitude hold-down restrictions and to avoid excessive delays. The airway re-

alignment will also minimize air traffic control clearance verbiage for departing aircraft.

It was stated in the Notice that the control areas associated with Victor 17 and the realigned east alternate between Austin and Waco would be designated to extend upward from 1,200 feet above the surface. However, since most of the airspace through which Victor 17 and the east alternate pass is already designated control area extension with a base of 700 feet above the surface, it has been determined that application of Amendment 60-21 to Part 60 of the Civil Air Regulations to the control areas associated with the altered Victor 17 should be deferred until such time as all control areas associated with other airways and control area extensions in the vicinity of Austin and Waco can be altered by applying Amendment 60-21.

The control areas associated with this airway segment are so designated that they automatically conform to the altered airway. The vertical extent of these areas will remain as designated pending review of the adjacent airspace. Separate actions will be initiated to implement on an area basis Amendment 60-21 to Part 60 of the Civil Air Regulations.

No other adverse comments were received regarding the proposed amendment.

Interested persons have been afforded an opportunity to participate in the making of the rule herein adopted, and due consideration has been given to all relevant matter presented.

The substance of the proposed amendment having been published, therefore, pursuant to the authority delegated to me by the Administrator (25 F.R. 12582) and for the reasons stated herein and in the Notice, the following action is taken:

In the text of § 600.6017 (14 CFR 600.6017) "Austin VOR 031°" is deleted and "Austin VORTAC 046°" is substituted therefor.

This amendment shall become effective 0001 e.s.t., December 14, 1961.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on October 13, 1961.

LEE E. WARREN,
Acting Director,
Air Traffic Service.

[F.R. Doc. 61-10008; Filed, Oct. 19, 1961;
8:45 a.m.]

[Airspace Docket No. 61-WA-187]

PART 601—DESIGNATION OF CONTROLLED AIRSPACE, REPORTING POINTS, POSITIVE CONTROL ROUTE SEGMENTS, AND POSITIVE CONTROL AREAS

Alteration of Control Zone

The purpose of this amendment is to change the name of Tulakes Airport to Wiley Post Airport in the description of the Oklahoma City, Okla., control zone in order to correctly reflect the name of this facility.

Since this amendment is editorial in nature, and imposes no additional bur-

den on any person, notice and public procedure hereon are unnecessary and it may be made effective immediately.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (25 F.R. 12582), the following action is taken:

Section 601.2246 (14 CFR 601.2246, 25 F.R. 11216) is amended to read:

§ 601.2246 **Oklahoma City, Okla., control zone.**

Within a 5-mile radius of Will Rogers Municipal Airport (latitude 35°23'43" N., longitude 97°36'31" W.); within 2 miles either side of the ILS localizer N course extending from the 5-mile radius zone to the Tulakes, Okla., RBN; within 2 miles either side of the ILS localizer S course extending from the 5-mile radius zone to the ILS OM; within 2 miles either side of the W course of the Oklahoma City RR extending from the 5-mile radius zone to the Mustang FM; within 2 miles either side of the Oklahoma City VORTAC 107° radial extending from the 5-mile radius zone to the VORTAC; within a 5-mile radius of Wiley Post Airport (latitude 35°31'45" N., longitude 97°38'30" W.), including the airspace within 2 miles either side of the Oklahoma City VORTAC 050° radial extending from the 5-mile radius zone to the VORTAC.

This amendment shall become effective upon publication in the **FEDERAL REGISTER**.

(Sec. 307(a), 72 Stat. 749; U.S.C. 1348)

Issued in Washington, D.C., on October 13, 1961.

LEE E. WARREN,
Acting Director,
Air Traffic Service.

[F.R. Doc. 61-10007; Filed, Oct. 19, 1961; 8:45 a.m.]

[Airspace Docket No. 61-NY-62]

PART 601—DESIGNATION OF CONTROLLED AIRSPACE, REPORTING POINTS, POSITIVE CONTROL ROUTE SEGMENTS, AND POSITIVE CONTROL AREAS

PART 602—DESIGNATION OF JET ROUTES, JET ADVISORY AREAS AND HIGH ALTITUDE NAVIGATIONAL AIDS

Alteration of Control Area Extensions, High Altitude Navigational Aid and Terminal Jet Advisory Area

The purpose of these amendments to §§ 601.1141, 601.1142, 602.9, and 602.300 of the Regulations of the Administrator is to substitute "Squantum, Mass., radio-beacon" for "Squantum radio range" wherever reference is made to the radio range in these sections. This action is necessary due to the programmed conversion of the radio range to a radio-beacon on or about November 16, 1961.

Since these amendments impose no additional burden on any person, notice and public procedure hereon are unnecessary.

However, since it is necessary that sufficient time be allowed to permit appropriate changes to be made on aeronautical charts, these amendments will become effective November 16, 1961.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (25 F.R. 12582) the following actions are taken:

1. Section 601.1141 (14 CFR 601.1141, 26 F.R. 4147) Control area extension (Boston, Mass.) is amended to read:

§ 601.1141 **Control area extension (Boston, Mass.).**

The airspace within tangent lines drawn from the circumference of a 5-mile radius circle centered on the INT of the SE course of the Boston RR and the 064° bearing from the Squantum, Mass., RBN to a 15-mile radius circle centered on the mid-way point of a direct line between the INT of the SE course of the Boston RR and the 064° bearing from the Squantum RBN and the Yarmouth, Nova Scotia, RR to a 5-mile radius circle centered on the Yarmouth RR, excluding the portion below 2,000 feet except that area which lies within the confines of Federal airways, and excluding the portion that coincides with the Boston control area extension (§ 601.1377).

2. Section 601.1142 (14 CFR 601.1142, 26 F.R. 4147) Control area extension (Boston, Mass.) is amended to read:

§ 601.1142 **Control area extension (Boston, Mass.).**

The airspace within tangent lines drawn from the circumference of a 5-mile radius circle centered at the INT of the SE course of the Boston RR and the 064° bearing from the Squantum, Mass., RBN to a 15-mile radius circle centered at the INT of the SE course of the Boston RR and the Western Boundary of the ICAO control area, excluding that portion below 2,000 feet except that area which lies within the confines of Federal airways, and excluding the portion which coincides with the Boston control area extension (§ 601.1377).

§ 602.9 [Amendment]

3. In the text of § 602.9 (26 F.R. 7080) "(1) Squantum, Mass., RR" is deleted and "(1) Squantum, Mass., RBN" is substituted therefor.

§ 602.300 [Amendment]

4. In the text of § 602.300 (26 F.R. 7083) Boston, Mass., jet advisory area—Radar: "d. Direct course between Boston, Mass., and East Boston INT (INT of SE course of Boston, Mass., RR and NE course of Squantum, Mass., RR)." is deleted and "d. Direct course between Boston, Mass., and East Boston INT (INT of SE course of Boston, Mass., RR and the 064° bearing from the Squantum, Mass., RBN)." is substituted therefor.

These amendments shall become effective 0001 e.s.t., November 16, 1961.

(Sec. 307(a), 72 Stat. 749; 49 U.S.C. 1348)

Issued in Washington, D.C., on October 13, 1961.

LEE E. WARREN,
Acting Director,
Air Traffic Service.

[F.R. Doc. 61-10010; Filed, Oct. 19, 1961; 8:46 a.m.]

[Reg. Docket No. 930; Amdt. 80]

PART 610—MINIMUM EN ROUTE IFR ALTITUDES

Miscellaneous Amendments

This amendment is being adopted to insure the safety of IFR operations by establishing the minimum en route IFR altitudes for the route or portions thereof contained herein, and the altitudes which assure navigational coverage that is adequate and free of frequency interference for such routes or portions thereof.

As a situation exists which demands immediate action in the interest of safety, I find that compliance with the notice, public procedure and effective date provisions of the Administrative Procedure Act would be impracticable.

In view of the foregoing and pursuant to the authority delegated to me by the Administrator (24 F.R. 5662), Part 610 is hereby amended as follows:

Section 610.15 *Green Federal airway* 5 is deleted.

Section 610.107 *Amber Federal airway* 7 is amended to delete:

From Philadelphia, Pa., LFR; to North Philadelphia, Pa., LFR; MEA 1,800.

From North Philadelphia, Pa., LFR; to Newark, N.J., LFR; MEA 1,500.

From Newark, N.J., LFR; to Little Ferry INT, N.Y.; MEA 2,500.

From Little Ferry INT, N.J.; to Meriden INT, Conn.; MEA 2,000.

From Meriden INT, Conn.; to Hartford, Conn., LFR; MEA 2,000.

From Hartford, Conn., LFR; to Woodstock INT, Conn., northbound; MEA 2,400.

From Woodstock INT, Conn.; to Hartford, Conn., LFR, southbound; MEA 2,000.

From Woodstock INT, Conn., to Bedford, Mass., LF/RBN; MEA 2,400.

From Bedford, Mass., LF/RBN; to Boston, Mass., LFR; MEA 1,700.

From Boston, Mass., LFR; to INT southeast course Concord, N.H., and north course, Boston, Mass., LFR; MEA 1,300.

From INT southeast course, Concord, N.H. and LFR north course Boston, Mass., LFR; to Portland, Maine; MEA 1,700.

From Portland, Maine, LFR; to Augusta, Maine, LFR; MEA 1,800.

Section 610.277 *Red Federal airway* 77 is deleted.

Section 610.297 *Red Federal airway* 97 is deleted.

Section 610.1001 *Direct routes—U.S.* is amended to delete:

From Culberson, Tex., VOR; to Junction, Tex., VOR; MEA 13,000.

From Lakeland, Fla., VOR; to Bailey INT, Fla.; MEA 1,500.

Section 610.1001 *Direct routes—U.S.* is amended by adding:

From Lakeland, Fla., VOR via LAL-292/MLB-250; to Melbourne, Fla., VOR; MEA 2,000.

Section 610.1001 *Direct routes—U.S.* is amended to read in part:

From Tallahassee, Fla., VOR via TLH-2861/MAI-105; to Marianna, Fla., VOR; MEA 2,000.

Section 610.6002 *VOR Federal airway 2* is amended to read in part:

From Rochester, N.Y., VOR; to *Plainville INT, N.Y., MEA 2,000. *2,000—MRA.

Section 610.6003 *VOR Federal airway 3* is amended to read in part:

From Rancho INT, Fla.; to Gary INT, Fla.; MEA *2,000. *1,600—MOCA.

From Wilton, Conn., VOR; to Hartford, Conn., VOR; MEA 2,100.

Section 610.107 *Amber Federal airway 7* is amended to read in part:

From Little Ferry INT, N.Y.; to Monroe INT, Conn.; MEA 2,000.

From Monroe INT, Conn.; to Hartford, Conn., LFR; MEA 2,100.

Section 610.6008 *VOR Federal airway 8* is amended to read in part:

From Superior INT, Colo.; to Denver, Colo., VOR, eastbound only; MEA *10,000. *Westbound not authorized.

Section 610.6013 *VOR Civil airway 13* is amended to read in part:

From *Crosby INT, Tex., via E alter.; to Daisetta INT, Tex., via E alter.; MEA *1,800. *1,900—MRA. **1,600—MOCA.

Section 610.6015 *VOR Federal airway 15* is amended to read in part:

From Houston, Tex., VOR via W alter.; to Sealy INT, Tex., via W alter.; MEA *2,000. *1,800—MOCA.

From Sealy INT, Tex., via W alter.; to Hempstead INT, Tex., via W alter.; MEA *2,100. *1,800—MOCA.

From Hempstead, INT, Tex., via W alter.; to College Station, Tex., VOR via W alter.; MEA *2,000. *1,800—MOCA.

From College Station, Tex., VOR via W alter.; to Barclay INT, Tex., via W alter.; MEA *2,500. *1,800—MOCA.

Section 610.6016 *VOR Federal airway 16* is amended to read in part:

From Nashville, Tenn., VOR; to *Liberty INT, Tenn.; MEA 3,500. *5,000—MRA.

From Centertown INT, Tenn., via S alter.; to *Rock Island INT, Tenn., via S alter.; MEA 4,200. *5,000—MRA.

From Rock Island INT, Tenn., via S alter.; to Crossville, Tenn., VOR via S alter.; MEA 4,200.

Section 610.6018 *VOR Federal airway 18* is amended to read in part:

From Augusta, Ga., VOR; to *Sardis INT, GA.; MEA **2,100. *2,100—MRA. **1,800—MOCA.

From Sardis INT, Ga.; to Allendale, S.C., VOR; MEA *2,000. *1,600—MOCA.

From McDonough, Ga., VOR; to Eatonton INT, Ga.; MEA 2,000.

Section 610.6020 *VOR Federal airway 20* is amended by adding:

From Richmond, Va., VOR; to Tappahannock INT, Va.; MEA 1,900.

Section 610.6021 *VOR Federal airway 21* is amended to delete:

From Hector, Calif., VOR; to Soda INT, Calif.; MEA 8,000.

From *Soda INT, Calif.; to **Craters INT, Calif.; MEA ***19,000. *16,000—MCA Soda INT, eastbound. **18,000—MCA Craters INT, southwestbound. ***10,000—MOCA.

Section 610.6021 *VOR Federal airway 21* is amended to read in part:

From Helena, Mont., VOR via W alter.; to *Simms INT, Mont., via W alter.; MEA 9,500. *9,500—MRA.

From Simms INT, Mont., via W alter.; to Choteau INT, Mont., via W alter.; MEA 9,500. From Choteau INT, Mont., via W alter.; to Cut Bank, Mont., VOR via W alter.; MEA 7,000.

Section 610.6022 *VOR Federal airway 22* is amended to read in part:

From Saufley, Fla., VOR; to Crestview, Fla., VOR; MEA *2,000. *1,500—MOCA.

Section 610.6026 *VOR Federal airway 26* is amended to delete:

From *Delta, Utah, VOR; to Myton, Utah, VOR; MEA **15,000. *10,700—MCA Delta VOR, northeastbound. **14,000—MOCA.

Section 610.6034 *VOR Federal airway 34* is amended to delete:

From Ithaca, N.Y., VOR; to Hancock, N.Y., VOR; MEA 4,000.

From Hancock, N.Y., VOR; to Bullville INT, N.Y.; MEA 4,400.

From Bullville INT, N.Y.; to Wilton, Conn., VOR; MEA 3,000.

Section 610.6035 *VOR Federal airway 35* is amended to read in part:

From Macon, Ga., VOR; to *Madison INT, Ga.; MEA 2,000. *3,000—MRA.

Section 610.6037 *VOR Federal airway 37* is amended to read in part:

From Columbia, S.C., VOR; to Fort Mill, S.C., VOR; MEA 2,000.

From Fort Mill, S.C., VOR; to *Mt. Holly INT, N.C.; MEA 2,400. *2,600—MRA.

From Fort Mill, S.C., VOR via W alter.; to Hickory, N.C., VOR via W alter.; MEA 3,000.

Section 610.6051 *VOR Federal airway 51* is amended to read in part:

From Rancho INT, Fla.; to Gary INT, Fla.; MEA 2,000. *1,600—MOCA.

Section 610.6054 *VOR Federal airway 54* is amended to read in part:

From Little Rock, Ark., VOR via N alter.; to Tank INT, Ark., via N alter.; MEA 1,500.

From Tank INT, Ark., via N alter.; to *Hillemann INT, Ark., via N alter.; MEA **2,500. *4,000—MRA. **1,600—MOCA.

From Hillemann INT, Ark., via N alter.; to *Round Pond INT, Ark., via N alter.; MEA **2,500. *4,000—MRA. **1,600—MOCA.

From Gaffney INT, S.C.; to Fort Mill, S.C., VOR; MEA 2,100.

From Fort Mill, S.C., VOR; to *Norwood INT, N.C.; MEA **3,000. *3,000—MRA. **1,900—MOCA.

Section 610.6066 *VOR Federal airway 66* is amended to read in part:

From Union INT, S.C.; to Fort Mill, S.C., VOR; MEA 2,000.

Section 610.6069 *VOR Federal airway 69* is amended to read in part:

From Biscoe INT, Ark.; to *Hillemann INT, Ark.; MEA **3,000. *4,000—MRA. **1,500—MOCA.

Section 610.6083 *VOR Federal airway 83* is amended to delete:

From *Alamosa, Colo., VOR; to **Pueblo, Colo., VORTAC; MEA 17,000. *15,000—MCA Alamosa VOR, northeastbound. **12,000—MCA Pueblo VORTAC, southwestbound.

Section 610.6089 *VOR Federal airway 89* is amended to delete:

From Alamosa, Colo., VOR; to *Texas Creek INT, Colo.; MEA **16,500. *17,200—MCA Texas Creek INT, northeastbound. *16,500—MRA. **15,600—MOCA.

From Texas Creek INT, Colo.; to Guffey INT, Colo.; MEA *17,200. *14,000—MOCA.

From Guffey INT, Colo.; to *Lake George INT, Colo.; MEA **16,300. *15,000—MCA Lake George INT, southbound. **13,000—MOCA.

Section 610.6092 *VOR Federal airway 92* is amended to read in part:

From Edgerton INT, Ohio; to Stryker INT, Ohio; MEA *3,000. *2,100—MOCA.

From Stryker INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

Section 610.6092 *VOR Federal airway 92* is amended to read in part:

From Stryker INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

Section 610.6092 *VOR Federal airway 92* is amended to read in part:

From Stryker INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

Section 610.6092 *VOR Federal airway 92* is amended to read in part:

From Stryker INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

Section 610.6095 *VOR Federal airway 95* is amended to delete:

From *Farmington, N. Mex., VORTAC; to **Gunnison, Colo., VOR; MEA 16,000. *12,000—MCA Farmington VORTAC, northbound; **13,500—MCA Gunnison VOR, southbound.

From *Gunnison, Colo., VOR; to Trout Creek INT, Colo.; MEA 16,300. *13,600—MCA Gunnison VOR, northeastbound.

From *Trout Creek INT, Colo.; to Lake George INT, Colo.; MEA **15,500. *14,800—MCA Trout Creek INT, southwestbound. **14,000—MOCA.

Section 610.6107 *VOR Federal airway 107* is amended to read in part:

From Sunset INT, Calif.; to *Derby INT, Calif.; southeastbound MEA 11,000; northwestbound, MEA 8,500. *8,500—MCA Derby INT, southeastbound.

From Derby INT, Calif., to Avenal, Calif., VOR; 7,000.

Section 610.6108 *VOR Federal airway 108* is amended to delete:

From Currant, Nev., VOR; to Delta, Utah, VOR; MEA 15,000.

From *Delta, Utah, VOR; to Manti INT, Utah; MEA **17,000. *11,000—MCA Delta VOR, eastbound. **12,000—MOCA.

From Manti INT, Utah; to Grand Junction, Colo., VOR; MEA *18,000. *13,000—MOCA.

Section 610.6114 *VOR Federal airway 114* is amended to read in part:

From Baton Rouge, La., VOR; to New Orleans, La., VOR; MEA 2,000.

Section 610.6117 *VOR Federal airway 117* is amended to delete:

From Palm Springs INT, Calif.; to *Bullion INT, Calif.; MEA **16,000. *16,000—MCA Bullion INT, southbound. **12,000—MOCA.

Section 610.6120 *VOR Federal airway 120* is amended to read in part:

From Augusta INT, Mont.; to Simms INT, Mont.; westbound, MEA 10,000; eastbound, MEA 9,500.

From *Simms INT, Mont.; to **Fort Shaw INT, Mont.; westbound, MEA 9,500; eastbound, MEA 8,000. *9,500—MCA Simms INT, westbound. **8,000—MCA Fort Shaw INT, westbound.

From Fort Shaw INT, Mont.; to *Great Falls, Mont., VOR; MEA 7,000. *6,800—MCA Great Falls VOR, eastbound.

Section 610.6126 *VOR Federal airway 126* is amended to read in part:

From Edgerton INT, Ohio; to Stryker INT, Ohio; MEA *3,000. *2,100—MOCA.

From Stryker INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

Section 610.6133 *VOR Federal airway 133* is amended to read in part:

From Stryker INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

Section 610.6133 *VOR Federal airway 133* is amended to read in part:

From Stryker INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

Section 610.6133 *VOR Federal airway 133* is amended to read in part:

From Stryker INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

Section 610.6133 *VOR Federal airway 133* is amended to read in part:

From Stryker INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

Section 610.6133 *VOR Federal airway 133* is amended to read in part:

From Stryker INT, Ohio; to Waterville, Ohio, VOR; MEA 2,000.

From Hickory, N.C., VOR; to West Jefferson INT, N.C.; MEA 5,000.

From West Jefferson INT, N.C.; to Sugar Grove INT, N.C.; MEA 7,000.

From Fort Mill, S.C., VOR; to Hickory, N.C., VOR; MEA 3,000.

Section 610.6137 VOR Federal airway 137 is amended to delete:

From Gorman, Calif., VOR; to *Sunset INT, Calif.; MEA **14,000. *13,500—MCA Sunset INT, eastbound. **10,500—MOCA.

From Sunset INT, Calif., to Avenal, Calif., VOR; northbound, MEA 8,000; southbound, MEA 11,000. *6,300—MOCA.

Section 610.6137 VOR Federal airway 137 is amended by adding:

From *Gorman, Calif., VOR; to Sunset INT, Calif.; MEA 11,000. *10,500—MCA Gorman VOR, westbound.

From Sunset INT, Calif.; to *Fellows, Calif., VOR; westbound, MEA 9,000; eastbound, MEA 11,000. *8,500—MCA Fellows VOR, eastbound.

From Fellows, Calif., VOR; to *San Luis Obispo, Calif., VOR; westbound, MEA 6,000; eastbound, MEA 8,000. *4,500—MCA San Luis Obispo VOR, eastbound.

Section 610.6143 VOR Federal airway 143 is amended to read in part:

From Fort Mill, S.C., VOR; to Greensboro, N.C., VOR; MEA 2,900.

From Fort Mill, S.C., VOR via W alter.; to *Mount Holly INT, N.C., via W alter.; MEA 2,400. *2,600—MRA.

Section 610.6152 VOR Federal airway 152 is amended to read in part:

From Orlando, Fla., VOR via N alter.; to Benson INT, Fla., via N alter.; MEA 1,300.

From Benson INT, Fla., via N alter.; to Woodruff INT, Fla., via N alter.; MEA 2,000.

Section 610.6178 VOR Federal airway 178 is amended to read in part:

From Farmington, Mo., VOR via S alter.; to Paducah, Ky., VOR via S alter.; MEA 2,400.

Section 610.6185 VOR Federal airway 185 is amended to read in part:

From *Dover INT, Ga.; to *Sardis INT, Ga.; MEA **2,000. *2,000—MRA. **2,100—MRA. ***1,500—MOCA.

From Sardis INT, Ga.; to Augusta, Ga., VOR; MEA 2,100. *1,800—MOCA.

Section 610.6187 VOR Federal airway 187 is amended to delete:

From Farmington, N. Mex., VOR; to *Grand Junction, Colo., VOR; MEA 14,500. *12,000—MCA Grand Junction VOR, southbound.

From Farmington, N. Mex., VOR via W alter.; to Dove Creek, Colo., VOR via W alter.; MEA 10,500.

From Dove Creek, Colo., VOR via W alter.; to *Grand Junction, Colo., VOR via W alter.; MEA 12,000. *12,000—MCA Grand Junction VORTAC, southbound.

Section 610.6187 VOR Federal airway 187 is amended by adding:

From Farmington, N. Mex., VOR; to Dove Creek, Colo., VOR; MEA 10,500.

From Dove Creek, Colo., VOR; to *Grand Junction, Colo., VOR; MEA 12,000. *12,000—MCA Grand Junction VOR, southbound.

Section 610.6194 VOR Federal airway 194 is amended to read in part:

From Union INT, S.C.; to Fort Mill, S.C., VOR; MEA 2,000.

From Fort Mill, S.C., VOR; to *Norwood INT, N.C.; MEA **3,000. *3,000—MRA. **1,900—MOCA.

Section 610.6200 VOR Federal airway 200 is amended to delete:

From *Meeker, Colo., VORTAC; to Kremmling, Colo., VOR; MEA 14,500. *12,000—MCA Meeker VORTAC, eastbound.

Section 610.6210 VOR Federal airway 210 is amended to delete:

From Farmington, N. Mex., VOR; to *Alamosa, Colo., VOR; MEA 15,000. *15,000—MCA Alamosa VOR, northeastbound.

From Farmington, N. Mex., VORTAC via S alter.; to Horse Lake INT, N. Mex., via S alter.; westbound, MEA 11,000; eastbound, MEA 14,000.

From Horse Lake INT, N. Mex., via S alter.; to *Alamosa, Colo., VOR via S alter.; MEA 14,000. *15,000—MCA Alamosa VOR, northeastbound.

From *Alamosa, Colo., VOR; to **Pueblo, Colo., VORTAC; MEA 17,000. *15,000—MCA Alamosa VOR, northeastbound. **12,000—MCA Pueblo VORTAC, southwestbound.

From Pueblo, Colo., VORTAC via S alter.; to *Walsenburg INT, Colo., via S alter.; MEA 14,000. *13,400—MCA Walsenburg INT, westbound.

From Walsenburg INT, via S alter.; to *Pueblo, Colo., VOR via S alter.; MEA 8,400; northeastbound, MEA 8,400; southwestbound, MEA 13,000. *10,000—MCA Pueblo VOR, southwestbound.

Section 610.6210 VOR Federal airway 210 is amended by adding:

From Farmington, N. Mex., VOR; to Horse Lake INT, N. Mex., westbound MEA 11,000; eastbound, MEA 14,000.

From Horse Lake INT, N. Mex.; to *Alamosa, Colo., VOR; MEA 14,000. *15,000—MCA Alamosa VOR, northeastbound.

From Alamosa, Colo., VOR; to *Walsenburg INT, Colo.; MEA 14,000. *13,400—MCA Walsenburg INT, westbound.

From Walsenburg INT, Colo.; to *Pueblo, Colo., VOR; northeastbound, MEA 8,400; southwestbound, MEA 13,000. *10,000—MCA Pueblo VOR, southwestbound.

Section 610.6220 VOR Federal airway 220 is amended to delete:

From Kremmling, Colo., VOR; to Ward INT, Colo.; MEA 16,000.

From Ward INT, Colo.; to *Longmont INT, Colo.; MEA 16,500. *13,000—MRA. *16,500—MCA Longmont INT, westbound.

Section 610.6243 VOR Federal airway 243 is amended to read in part:

From McMinnville INT, Tenn.; to *Rock Island INT, Tenn.; MEA **5,000. *5,000—MRA. **3,500—MOCA.

From Rock Island INT, Tenn.; to *Liberty INT, Tenn.; MEA **5,000. *5,000—MRA. **3,500—MOCA.

From Liberty INT, Tenn.; to *Hartsville INT, Tenn.; MEA **5,000. *2,800—MRA. **3,500—MOCA.

Section 610.6244 VOR Federal airway 244 is amended to delete:

From Duckwall INT, Calif.; to *Coaldale, Nev., VOR; MEA 15,000. *11,000—MCA Coaldale VOR, westbound.

From *Delano INT, Utah; to **Hanksville, Utah, VOR; MEA ***16,000. *16,000—MCA Delano INT, eastbound. **11,000—MCA Hanksville VOR, westbound. ***15,000—MOCA. # Continuous navigation signal coverage does not exist over the entire route segment below 18,000 feet.

From Gunnison, Colo., VOR; to *Texas Creek INT, Colo.; MEA 16,000. *16,500—MRA.

Section 610.6244 VOR Federal airway 244 is amended to read in part:

From Woodward INT, Calif.; to Duckwall INT, Calif.; MEA westbound only, *8,000. *Eastbound not authorized.

From Texas Creek INT, Colo.; to *Pueblo, Colo., VOR, eastbound only; MEA **12,000. *10,000—MCA Pueblo VOR, westbound. **Westbound not authorized.

Section 610.6248 VOR Federal airway 248 is amended by adding:

From Avenal, Calif., VOR via S alter.; to Derby INT, Calif., via S alter.; MEA 7,000.

From Derby INT, Calif., via S alter.; to Bakersfield, Calif., VOR via S alter., southbound, MEA 7,000; northeastbound MEA 3,000.

Section 610.6257 VOR Federal airway 257 is amended to delete:

From Anita INT, Ariz., to Bryce Canyon, Utah, VOR; MEA *15,500. *11,500—MOCA.

From Bryce Canyon, Utah, VOR; to *Kanosh INT, Utah, MEA 14,500. *13,000—MCA Kanosh INT, southbound.

Section 610.6259 VOR Federal airway 259 is amended to read in part:

From Hickory, N.C., VOR via E alter.; to West Jefferson INT, N.C., via E alter.; MEA 5,000.

From West Jefferson INT, N.C., via E alter.; to *Stateline INT, Tenn., via E alter.; MEA 7,500. *7,000—MCA Stateline INT, eastbound.

From Stateline INT, Tenn., via E alter.; to Tri-City, Tenn., VOR via E alter.; MEA 6,000.

From Fort Mill, S.C., VOR; to Maiden INT, N.C.; MEA 3,000.

From Fort Mill, S.C., VOR via E alter.; to Hickory, N.C., VOR via E alter.; MEA 3,000.

Section 610.6260 VOR Federal airway 260 is amended to read in part:

From Hopewell, Va., VOR; to Driver INT, Va.; MEA 1,500.

From Driver INT, Va.; to Deep Creek INT, Va.; MEA 2,100.

Section 610.6263 VOR Federal airway 263 is amended to delete:

From *Sante Fe, N. Mex., VORTAC; to **Cimarron, N. Mex., VOR; MEA 15,500. *13,000—MCA Sante Fe VORTAC, northeastbound. **12,000—MCA Cimarron VOR southwestbound.

Section 610.6270 VOR Federal airway 270 is amended to read in part:

From De Lancey, N.Y., VOR; to *Athens INT, N.Y.; MEA 6,000. *4,000—MCA Athens INT, westbound.

From Athens INT, N.Y.; to Chester, Mass., VOR; MEA 4,000.

Section 610.6273 VOR Federal airway 273 is amended to delete:

From Huguenot, N.Y., VOR; to Hancock, N.Y., VOR; MEA 4,000.

From Hancock, N.Y., VOR; to Georgetown, N.Y., VOR; MEA 4,000.

From Georgetown, N.Y., VOR; to Syracuse, N.Y., VOR; MEA 3,500.

Section 610.6283 VOR Federal airway 283 is amended to delete:

From *Coarsegold INT, Calif.; to Reno, Nev., VOR; MEA 15,000. *10,000—MCA Coarsegold INT, northbound.

Section 610.6296 VOR Federal airway 296 is amended to read in part:

From Cherokee INT, N.C.; to Fort Mill, S.C., VOR; MEA 2,200.

Section 610.6298 VOR Federal airway 298 is amended to delete:

From McCall, Idaho, VOR; to *Landmark INT, Idaho; MEA **16,000. *20,000—MRA. **14,000—MOCA.

From Landmark INT, Idaho; to *Dubois, Idaho, VOR; MEA **16,000. *12,000—MCA Dubois VOR, westbound. *11,000—MCA Dubois VOR, eastbound. **14,000 MOCA. From *Lamont INT, Idaho; to Dunoir, Wyo., VOR; MEA 15,000. *13,000—MCA Lamont INT, eastbound.

Section 610.6408 *Hawaii VOR Federal airway 8* is amended to read in part:

From *Bluefin INT, Hawaii; to Windward INT, Hawaii; MEA 3,000. *5,000—MCA Bluefin INT, southwestbound. From Windward INT, Hawaii; to Tuna INT, Hawaii; MEA 4,000.

Section 610.6437 *VOR Federal airway 437* is amended by adding:

From Savannah, Ga., VOR; to Charleston, S.C., VOR; MEA 5,000.

Section 610.6440 *VOR Federal airway 440* is amended to read in part:

From *Anchorage, Alaska, VOR; to **Alexander INT, Alaska; MEA 1,500. *5,400—MCA Anchorage VOR, southeastbound. **5,000—MCA Alexander INT, northwestbound.

Section 610.6454 *VOR Federal airway 454* is amended to read in part:

From Greenwood, S.C., VOR; to Fort Mill, S.C., VOR; MEA 2,000. From Fort Mill, S.C., VOR; to Liberty, N.C., VOR; MEA 2,300.

Section 610.6455 *VOR Federal airway 455* is amended to read in part:

From Madison INT, La., via W alter.; to Hattiesburg, Miss., VOR via W alter.; MEA *4,000. *1,400—MOCA.

Section 610.6839 *VOR Federal airway 839* is amended to read in part:

From *Mooresville INT, S.C.; to Statesville INT, N.C.; MEA 3,000. *2,700—MRA. From Statesville INT, N.C.; to Burch INT, N.C.; MEA *5,000. *3,000—MOCA.

Section 610.6843 *VOR Federal airway 843* is amended to read in part:

From *Hartsville INT, Tenn.; to **Liberty INT, Tenn.; MEA ***5,000. *2,800—MRA. **5,000—MRA. **3,500—MOCA. From Liberty INT, Tenn.; to *Rock Island INT, Tenn.; MEA **5,000. *5,000—MRA. **3,500—MOCA. From Rock Island INT, Tenn.; to McMinnville INT, Tenn.; MEA *5,000. *3,500—MOCA.

Section 610.6861 *VOR Federal airway 861* is added to read:

From Branchville INT, Pa.; to Poughkeepsie, N.Y., VOR; MEA 3,000. From Poughkeepsie, N.Y., VOR; to Litchfield INT, Mass.; MEA 3,500. From Litchfield INT, Mass.; to Hartford, Conn., VOR; MEA 3,000. From Hartford, Conn., VOR; to Sterling INT, Conn.; MEA 2,000. From Sterling INT, Conn.; to Boston, Mass., VOR; MEA 1,800.

Section 610.6863 *VOR Federal airway 863* is added to read:

From Bay INT, Conn.; to Bridgeport INT, Conn.; MEA *2,000. *1,500—MOCA. From Bridgeport INT, Conn.; to Norwich Conn., VOR; MEA 2,000. From Norwich, Conn., VOR; to Boston, Mass., VOR; MEA 1,800.

Section 610.6875 *VOR Federal airway 875* is amended to read in part:

From Meridian, Miss., VOR; to *Rose Hill INT, Miss.; MEA **2,000. *3,000—MRA. **1,800—MOCA.

From Rose Hill INT, Miss.; to McComb, Miss., VOR; MEA *2,000. *1,800—MOCA.

From Hattiesburg, Miss., VOR; to Madison INT, La.; MEA *4,000. *1,400—MOCA. From Hartford, Conn., VOR; to Wilton, Conn., VOR; MEA 2,100.

Section 610.6879 *VOR Federal airway 879* is added to read:

From Boston, Mass., VOR; to Natick INT, Mass.; MEA *3,000. *2,300—MOCA.

From Natick INT, Mass.; to Framingham INT, Mass.; MEA *3,000. *2,200—MOCA.

From Framingham INT, Mass.; to Putnam, Conn., VOR; MEA 2,000.

From Putnam, Conn., VOR; to Norwich, Conn., VOR; MEA 2,000.

From Norwich, Conn., VOR; to Riverhead, N.Y., VOR; MEA 2,000.

From Riverhead, N.Y., VOR; to INT Riverhead 277M and Wilton 158M rads; MEA 1,600.

Section 610.6881 *VOR Federal airway 881* is amended to read in part:

From *Copeland INT, Fla.; to **Pine INT, Fla.; MEA ***1,200. *2,500—MRA. **2,300—MRA. ***1,100—MOCA.

Section 610.1502 *VOR Federal airway 1502* is amended to read in part:

From Syracuse, N.Y., VOR; to Cambridge, N.Y., VOR; MEA 14,500, MAA 24,000. From Cambridge, N.Y., VOR; to Manchester, N.H., VOR; MEA 14,500, MAA 24,000.

Section 610.1607 *VOR Federal airway 1607* is amended by adding:

From INT 253 M rad Fillmore VOR and 093 M rad Santa Barbara VOR; to Gaviota, Calif., VOR; MEA 14,500, MAA 24,000.

Section 610.1609 *VOR Federal airway 1609* is amended by adding:

From INT 253 M rad Fillmore VOR and 093 M rad Santa Barbara VOR; to Santa Barbara, Calif., VOR; MEA 14,500, MAA 24,000.

Section 610.1692 *VOR Federal airway 1692* is amended by adding:

From Burley, Idaho, VOR; to Pocatello, Idaho, VOR; MEA 14,500, MAA 24,000.

Section 610.1693 *VOR Federal airway 1693* is added to read:

From Riverhead, N.Y., VOR; to Poughkeepsie, N.Y., VOR; MEA 14,500, MAA 24,000. From Poughkeepsie, N.Y., VOR; to Cambridge, N.Y., VOR; MEA 14,500, MAA 24,000. From Cambridge, N.Y., VOR; to Burlington, Vt., VOR; MEA 14,500, MAA 24,000. From Burlington, Vt., VOR; to U.S.-Canadian Border; MEA 14,500, MAA 24,000.

Section 610.1707 *VOR Federal airway 1707* is amended to read:

From Denver, Colo., VOR; to Gill, Colo., VOR; MEA 14,500, MAA 24,000. From Gill, Colo., VOR; to Laramie, Colo., VOR; MEA 14,500, MAA 24,000.

Section 610.1748 *VOR Federal airway 1748* is added to read:

From Las Vegas, Nev., VOR; to Prescott, Ariz., VOR; MEA 14,500, MAA 24,000.

Section 610.1750 *VOR Federal airway 1750* is added to read:

From Los Angeles, Calif., VOR; to Ontario, Calif., VOR; MEA 14,500, MAA 24,000. From Ontario, Calif., VOR; to Blythe, Calif., VOR; MEA 14,500, MAA 24,000.

Section 610.1751 *VOR Federal airway 1751* is added to read:

From Newport, Oreg., VOR; to Hoquiam, Wash., VOR; MEA 14,500, MAA 24,000.

From Hoquiam, Wash., VOR; to Seattle, Wash., VOR; MEA 14,500, MAA 24,000.

Section 610.1752 *VOR Federal airway 1752* is added to read:

From Twenty Nine Palms, Calif., VOR; to Parker, Calif., VOR; MEA 14,500, MAA 24,000.

Section 610.1753 *VOR Federal airway 1753* is added to read:

From Newport, Oreg., VOR; to Olympia, Wash., VOR; MEA 14,500, MAA 24,000.

(Secs. 313(a), 307(c), 72 Stat. 752, 749; 49 U.S.C. 1354(a), 1348(c))

These rules shall become effective November 16, 1961.

Issued in Washington, D.C. on October 13, 1961.

G. S. MOORE,
Acting Director,

Flight Standards Service.

[F.R. Doc. 61-9962; Filed, Oct. 19, 1961; 8:45 a.m.]

Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service and Agricultural Stabilization and Conservation Service (Marketing Agreements and Orders), Department of Agriculture

PART 955—GRAPEFRUIT GROWN IN ARIZONA; IN IMPERIAL COUNTY, CALIFORNIA; AND IN THAT PART OF RIVERSIDE COUNTY, CALIFORNIA, SITUATED SOUTH AND EAST OF WHITE WATER, CALIFORNIA

Determination Relative to Expenses and Fixing Rate of Assessment for 1961-62 Fiscal Period and Carry-over of Unexpended Funds

Correction

In F.R. Doc. 61-9858 appearing at page 9706 of the issue for Saturday, October 14, 1961, the date preceding the signature at the end of the document is corrected to read "October 11, 1961."

Title 41—PUBLIC CONTRACTS

Chapter 1—Federal Procurement Regulations

MISCELLANEOUS AMENDMENTS TO CHAPTER

Chapter 1 of Title 41 is amended as set forth below:

PART 1-2—PROCUREMENT BY FORMAL ADVERTISING

Subpart 1-2.2—Solicitation of Bids

1. Section 1-2.201(a) is revised to add paragraph (24) to read as follows:

§ 1-2.201 Preparation of invitations for bids.

* * * * *

(a) * * * (24) A statement that the Nondiscrimination in Employment clause is not applicable to contracts (i) not exceeding

\$10,000, (ii) where work is to be performed entirely outside the United States and no recruitment of workers within the United States is involved, (iii) for standard commercial supplies or raw materials, or (iv) specifically exempt by the Executive Vice Chairman of the President's Committee on Equal Employment Opportunity.

PART 1-7—CONTRACT CLAUSES

Subpart 1-7.1—Fixed-Price Supply Contracts

1. Section 1-7.101-1 is amended by revising paragraph (a) of the clause to read as follows:

§ 1-7.101-1 Definitions.

(a) The term "head of the agency" or "Secretary" as used herein means the Secretary, the Under Secretary, any Assistant Secretary, or any other head or assistant head of the executive or military department or other Federal agency; and the term "his duly authorized representative" means any person or persons or board (other than the Contracting Officer) authorized to act for the head of the agency or the Secretary.

2. Section 1-7.101-8 is revised to read as follows:

§ 1-7.101-8 Assignment of claims.

ASSIGNMENT OF CLAIMS

(a) Pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U.S.C. 203, 41 U.S.C. 15), if this contract provides for payments aggregating \$1,000 or more, claims for moneys due or to become due the Contractor from the Government under this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party, except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. Unless otherwise provided in this contract, payments to an assignee of any moneys due or to become due under this contract shall not, to the extent provided in said Act, as amended, be subject to reduction or setoff.

(b) In no event shall copies of this contract or of any plans, specifications, or other similar documents relating to work under this contract, if marked, "Top Secret," "Secret," or "Confidential," be furnished to any assignee of any claim arising under this contract or to any other person not entitled to receive the same. However, a copy of any part or all of this contract so marked may be furnished, or any information contained therein may be disclosed, to such assignee upon the prior written authorization of the Contracting Officer.

The last sentence of paragraph (a) of the Assignment of Claims clause shall be included only in contracts entered into in time of war or national emergency (as defined in the Assignment of Claims Act of 1940, as amended) by the Department of Defense, the General Services Admin-

istration, the Atomic Energy Commission, the National Aeronautics and Space Administration, the Federal Aviation Agency, or any other department or agency of the United States designated by the President pursuant to clause 4 of the proviso of section 1 of the Assignment of Claims Act of 1940, as amended by the Act of May 15, 1951, 65 Stat. 41.

3. Section 1-7.101-18 is revised by inserting a parenthetical clause between the title of the clause "Nondiscrimination in Employment" and the text of the clause, to read as follows:

§ 1-7.101-18 Nondiscrimination in employment.

NONDISCRIMINATION IN EMPLOYMENT

(The following clause is applicable unless this contract is exempt under the rules and regulations of the President's Committee on Equal Employment Opportunity issued pur-

§ 1-16.901-32 Standard Form 32: General Provisions (Supply Contract).

(a) Page 1 of Standard Form 32.

Standard Form 32
SEPTEMBER 1961 EDITION
GENERAL SERVICES ADMINISTRATION
FED. PROC. REG. (41 CFR) 1-16.101

GENERAL PROVISIONS

(Supply Contract)

1. DEFINITIONS

As used throughout this contract, the following terms shall have the meanings set forth below:

- (a) The term "head of the agency" or "Secretary" means the Secretary, the Under Secretary, any Assistant Secretary, or any other head or assistant head of the executive or military department or other Federal agency; and the term "his duly authorized representative" means any person or persons or board (other than the Contracting Officer) authorized to act for the head of the agency or the Secretary.
- (b) The term "Contracting Officer" means the person executing this contract on behalf of the Government, and any other officer or civilian employee who is a properly designated Contracting Officer; and the term includes, except as otherwise provided in this contract, the authorized representative of a Contracting Officer acting within the limits of his authority.
- (c) Except as otherwise provided in this contract, the term "subcontracts" includes purchase orders under this contract.

2. CHANGES

The Contracting Officer may at any time, by a written order, and without notice to the sureties, make changes, within the general scope of this contract, in any one or more of the following: (i) Drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for the Government in accordance therewith; (ii) method of shipment or packing; and (iii) place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this contract, whether changed or not changed by any such order, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this clause must be asserted within 30 days from the date of receipt by the Contractor of the notification of change: *Provided, however*, That the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this contract. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

3. EXTRAS

Except as otherwise provided in this contract, no payment for extras shall be made unless such extras and the price therefor have been authorized in writing by the Contracting Officer.

4. VARIATION IN QUANTITY

No variation in the quantity of any item called for by this contract will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this contract.

Standard Form 32
SEPTEMBER 1961 EDITION

suant to Executive Order No. 10925 of March 6, 1961 (26 F.R. 1977).)

PART 1-16—PROCUREMENT FORMS

Subpart 1-16.1—Forms for Advertised Supply Contracts

1. Section 1-16.101(d) is revised to read as follows:

§ 1-16.101 Forms prescribed.

(d) General Provisions (Supply Contract) (Standard Form 32, September 1961 edition).

Subpart 1-16.9—Illustrations of Forms

2. Section 1-16.901-32 is revised to read as follows:

§ 1-16.901-32 Standard Form 32: General Provisions (Supply Contract).

5. INSPECTION

(a) All supplies (which term throughout this clause includes without limitation raw materials, components, intermediate assemblies, and end products) shall be subject to inspection and test by the Government, to the extent practicable at all times and places including the period of manufacture, and in any event prior to acceptance.

(b) In case any supplies or lots of supplies are defective in material or workmanship or otherwise not in conformity with the requirements of this contract, the Government shall have the right either to reject them (with or without instructions as to their disposition) or to require their correction. Supplies or lots of supplies which have been rejected or required to be corrected shall be removed or, if permitted or required by the Contracting Officer, corrected in place by and at the expense of the Contractor promptly after notice, and shall not thereafter be tendered for acceptance unless the former rejection or requirement of correction is disclosed. If the Contractor fails promptly to remove such supplies or lots of supplies which are required to be removed, or promptly to replace or correct such supplies or lots of supplies, the Government either (i) may by contract or otherwise replace or correct such supplies and charge to the Contractor the cost occasioned the Government thereby, or (ii) may terminate this contract for default as provided in the clause of this contract entitled "Default." Unless the Contractor corrects or replaces such supplies within the delivery schedule, the Contracting Officer may require the delivery of such supplies at a reduction in price which is equitable under the circumstances. Failure to agree to such reduction of price shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(c) If any inspection or test is made by the Government on the premises of the Contractor or a subcontractor, the Contractor without additional charge shall provide all reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. If Government inspection or test is made at a point other than the premises of the Contractor or a subcontractor, it shall be at the expense of the Government except as otherwise provided in this contract: *Provided*, That in case of rejection the Government shall not be liable for any reduction in value of samples used in connection with such inspection or test. All inspections and tests by the Government shall be performed in such a manner as not to unduly delay the work. The Government reserves the right to charge to the Contractor any additional cost of Government inspection and test when supplies are not ready at the time such inspection and test is requested by the Contractor or when reinspection or retest is necessitated by prior rejection. Acceptance or rejection of the supplies shall be made as promptly as practicable after delivery, except as otherwise provided in this contract; but failure to inspect and accept or reject supplies shall neither relieve the Contractor from responsibility for such supplies as are not in accordance with the contract requirements nor impose liability on the Government therefor.

(d) The inspection and test by the Government of any supplies or lots thereof does not relieve the Contractor from any responsibility regarding defects or other failures to meet the contract requirements which may be discovered prior to acceptance. Except as otherwise provided in this

(b) Page 2 of Standard Form 32.

contract, acceptance shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud.

(e) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the supplies hereunder. Records of all inspection work by the Contractor shall be kept complete and available to the Government during the performance of this contract and for such longer period as may be specified elsewhere in this contract.

6. RESPONSIBILITY FOR SUPPLIES

Except as otherwise provided in this contract, (i) the Contractor shall be responsible for the supplies covered by this contract until they are delivered at the designated delivery point, regardless of the point of inspection; (ii) after delivery to the Government at the designated point and prior to acceptance by the Government, the Contractor shall be responsible for the loss or destruction of or damage to the supplies only if such loss, destruction, or damage results from the negligence of officers, agents, or employees of the Government acting within the scope of their employment; and (iii) the Contractor shall bear all risks as to rejected supplies after notice of rejection, except that the Government shall be responsible for the loss, or destruction of, or damage to the supplies only if such loss, destruction or damage results from the gross negligence of officers, agents, or employees of the Government acting within the scope of their employment.

7. PAYMENTS

The Contractor shall be paid, upon the submission of proper invoices or vouchers, the prices stipulated herein for supplies delivered and accepted or services rendered and for supplies delivered and accepted or services rendered and accepted, less deductions, if any, as herein provided. Unless otherwise specified, payment will be made on partial deliveries accepted by the Government when the amount due on such deliveries so far as accepted or when requested by the Contractor, payment for accepted partial deliveries shall be made whenever such payment would equal or exceed either \$1,000 or 50 percent of the total amount of this contract.

8. ASSIGNMENT OF CLAIMS

(a) Pursuant to the provisions of the Assignment of Claims Act of 1940, as amended (31 U.S.C. 203, 41 U.S.C. 15), if this contract provides for payments aggregating \$1,000 or more, claims for moneys due or to become due the Contractor from the Government under this contract may be assigned to a bank, trust company, or other financing institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party, except that any such assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. Unless otherwise provided in this contract, payments to an assignee of any moneys due or to become due under this contract shall not, to the extent provided in said Act, as amended, be subject to reduction or setoff. (The preceding sentence applies only if this contract is made in time of war or national emergency as defined in said Act and is with the Department of Defense, the General Services Administration, the Atomic Energy Commission, the National Aeronautics and Space Administration, the Federal Aviation Agency, or any other department or agency of the United States designated by the President pursuant to Clause 4 of the proviso of section 1 of the Assignment of Claims Act of 1940, as amended by the Act of May 15, 1951, 63 Stat. 41.)

(b) In no event shall copies of this contract or of any plans, specifications, or other similar documents relating to work under this contract, if marked "Top Secret," "Secret," or "Confidential," be furnished to any assignee of any claim

arising under this contract or to any other person not entitled to receive the same. However, a copy of any part or all of this contract so marked may be furnished, or any information contained therein may be disclosed, to such assignee upon the prior written authorization of the Contracting Officer.

9. ADDITIONAL BOND SECURITY

If any surety upon any bond furnished in connection with this contract becomes unacceptable to the Government, or if any such surety fails to furnish reports as to his financial condition from time to time as requested by the Government, the Contractor shall promptly furnish such additional security as may be required from time to time to protect the interests of the Government and of persons supplying labor or materials in the prosecution of the work contemplated by this contract.

10. EXAMINATION OF RECORDS

(The following clause is applicable if the amount of this contract exceeds \$2,500 and was entered into by means of negotiation, but is not applicable if this contract was entered into by means of formal advertising.)

(a) The Contractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract.

(b) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontract involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes (i) purchase orders not exceeding \$2,500 and (ii) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

11. DEFAULT

(a) The Government may, subject to the provisions of paragraph (c) below, by written notice of default to the Contractor, terminate the whole or any part of this contract in any one of the following circumstances:

(i) If the Contractor fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or

(ii) If the Contractor fails to perform any of the other provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of 10 days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure.

(b) In the event the Government terminates this contract in whole or in part as provided in paragraph (a) of this clause, the Government may procure, upon such terms and in such manner as the Contracting Officer may deem appropriate, supplies or services similar to those so terminated, and the Contractor shall be liable to the Government for any excess costs for such similar supplies or services. *Provided*, That the Contractor shall continue to perform the provisions of this contract to the extent not terminated under the provisions of this clause.

(c) Except with respect to defaults of subcontractors, the Contractor shall not be liable for any excess costs if he fails to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity,

(c) Page 3 of Standard Form 32.

Standard Form 32
SEPTEMBER 1961 EDITION

fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform, unless the supplies or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.

(d) If this contract is terminated as provided in paragraph (a) of this clause, the Government, in addition to any other rights provided in this clause, may require the Contractor to transfer title and deliver to the Government, in the manner and to the extent directed by the Contracting Officer, (i) any completed supplies, and (ii) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing materials") as the Contractor has specifically produced or specifically acquired for the performance of such part of this contract as has been terminated; and the Contractor shall, upon direction of the Contracting Officer, protect and preserve property in possession of the Contractor in which the Government has an interest. Payment for completed supplies delivered to and accepted by the Government shall be at the contract price. Payment for manufacturing materials delivered to and accepted by the Government and for the protection and preservation of property shall be in an amount agreed upon by the Contractor and Contracting Officer; failure to agree to such amount shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(e) If, after notice of termination of this contract under the provisions of paragraph (a) of this clause, it is determined that the failure to perform this contract is due to causes beyond the control and without the fault or negligence of the Contractor or subcontractor pursuant to the provisions of paragraph (c) of this clause, such notice of default shall be deemed to have been issued pursuant to the clause of this contract entitled "Termination for Convenience of the Government," and the rights and obligations of the parties hereto shall in such event be governed by such clause. *(Except as otherwise provided in this contract, this paragraph (e) applies only if this contract contains such clause.)*

(f) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

12. DISPUTES

(a) Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard

and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

(b) This "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph (a) above. *Provided*, That nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

13. NOTICE AND ASSISTANCE REGARDING PATENT

INFRINGEMENT

The provisions of this clause shall be applicable only if the amount of this contract exceeds \$5,000.

(a) The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of patent infringement based on the performance of this contract of which the Contractor has knowledge.

(b) In the event of litigation against the Government on account of any claim of patent infringement arising out of the performance of this contract or out of the use of any supplies furnished or work or service performed hereunder, the Contractor shall furnish to the Government, upon request, all evidence and information in possession of the Contractor pertaining to such litigation. Such evidence and information shall be furnished at the expense of the Government except in those cases in which the Contractor has agreed to indemnify the Government against the claim being asserted.

14. BUY AMERICAN ACT

(a) In acquiring end products, the Buy American Act (41 U.S.C. 101 a-4) provides that the Government give preference to domestic source end products. For the purpose of this clause:

(i) "components" means those articles, materials, and supplies, which are directly incorporated in the end products;

(ii) "end products" means those articles, materials, and supplies, which are to be acquired under this contract for public use; and

(iii) a "domestic source end product" means (A) an unmanufactured end product which has been mined or produced in the United States and (B) an end product manufactured in the United States if the cost of the components thereof which are mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. For the purposes of this (a) (iii) (B), the products of foreign origin of the same type or kind as the products referred to in (b) (ii) or (iii) of this clause shall be treated as components mined, produced, or manufactured in the United States.

(b) The Contractor agrees that there will be delivered under this contract only domestic source end products, except end products:

(i) which are for use outside the United States;

(ii) which the Government determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality;

(iii) as to which the Secretary determines the domestic preference to be inconsistent with the public interest; or

(iv) as to which the Secretary determines the cost to the Government to be unreasonable.

The foregoing requirements are administered in accordance with Executive Order No. 10582, dated December 17, 1954.

15. CONVICT LABOR

In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment at hard labor.

16. EIGHT-HOUR LAW OF 1912—OVERTIME COMPENSATION. This contract, to the extent that it is of a character spec-

Standard Form 32
SEPTEMBER 1961 EDITION

(d) Page 4 of Standard Form 32.

ified in the Eight-Hour Law of 1912, as amended (40 U.S. Code 324-326) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S. Code 35-45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended; and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Contractor or any subcontractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

17. WALSH-HEALEY PUBLIC CONTRACTS ACT

If this contract is for the manufacture or furnishing of materials, supplies, articles, or equipment in an amount which exceeds or may exceed \$10,000 and is otherwise subject to the Walsh-Healey Public Contracts Act, as amended (41 U.S. Code 35-45), there are hereby incorporated by reference all representations and stipulations required by said Act and regulations issued thereunder by the Secretary of Labor, such representations and stipulations being subject to all applicable rulings and interpretations of the Secretary of Labor which are now or may hereafter be in effect.

18. NONDISCRIMINATION IN EMPLOYMENT

(The following clause is applicable unless this contract is exempt under the rules and regulations of the President's Committee on Equal Employment Opportunity issued pursuant to Executive Order No. 10925 of March 6, 1961 (26 FR 1977).)

In connection with the performance of work under this contract, the Contractor agrees as follows:

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contracting Officer setting forth the provisions of this Nondiscrimination clause.

(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, or national origin.

(c) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding,

a notice, to be provided by the agency Contracting Officer, advising the said labor union or workers' representative of the Contractor's commitments under this Nondiscrimination clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The Contractor will comply with all provisions of Executive Order No. 10925 of March 6, 1961, and of the rules, regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

(e) The Contractor will furnish all information and reports required by Executive Order No. 10925 of March 6, 1961, and by the rules, regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Committee for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the Contractor's noncompliance with the Nondiscrimination clause of this contract or with any of the said rules, regulations, or orders, this contract may be canceled in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 10925 of March 6, 1961, and such other sanctions may be imposed and remedies invoked as provided in the said Executive order or by rule, regulation, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

(g) The Contractor will include the provisions of the foregoing paragraphs (a) through (f) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to section 303 of Executive Order No. 10925 of March 6, 1961, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided, however*, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

19. OFFICIALS NOT TO BENEFIT

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

20. COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

21. UTILIZATION OF SMALL BUSINESS CONCERNS

(a) It is the policy of the Government as declared by the Congress that a fair proportion of the purchases and contracts for supplies and services for the Government be placed with small business concerns.

(b) The Contractor agrees to accomplish the maximum amount of subcontracting to small business concerns that the Contractor finds to be consistent with the efficient performance of this contract.

Title 32—NATIONAL DEFENSE

Chapter VI—Department of the Navy

SUBCHAPTER C—PERSONNEL

PART 713—NAVAL RESERVE AND MARINE CORPS RESERVE

Miscellaneous Amendments

Scope and purpose. The amendments are intended to bring Subpart A "Naval Reserve" into accord with recently adopted modifications to the Bureau of Naval Personnel Manual which will be distributed as Change No. 7 to that Manual.

1. Section 713.45(c) is amended by revising the introductory parts of subpara-

graphs (1) and (2) preceding the subdivisions to read as follows:

§ 713.45 Establishment and activation or commissioning of units (less aviation).

(c) *Procedure*—(1) *Establishment.* All requests for establishment of units shall be submitted to the Chief of Naval Personnel, via Commander, Naval Reserve Training Command, and shall include the following information:

(2) *Activation.* All requests for activation of Selected Reserve units shall be submitted to the Chief of Naval Personnel, via Commander, Naval Reserve Training Command, and shall include the following information:

2. Section 713.47(c) is revised to read as follows:

§ 713.47 Deactivation and disestablishment or decommissioning of units (less aviation).

(c) *Deactivation.* Naval district commandants are charged with the responsibility of insuring that Naval Reserve units under their command are operating on an economical basis in terms of cost per trainee and effectiveness of training. To this end, based on on-board strength and progress commandants may submit recommendations to the Chief of Naval Personnel via Commander, Naval Reserve Training Command for deactivation, redesignation, consolidation or continuation in current status of such units as deemed appropriate.

3. The introductory part of § 713.351 (w) preceding subparagraphs (1) to (3) is revised to read as follows:

§ 713.351 Orders to inactive-duty training.

(w) *Eligibility waivers:* With the exception of the requirement of membership in the Ready Reserve a request for a waiver of the provisions of this section may be originated in letter form by a commandant or CNARESTRA and submitted to the Chief of Naval Personnel in the cases of officers who are not eligible for assignment to or retention in a Selected Reserve unit. Such requests should be made only when the waiver is needed for the good of the naval service and should provide adequate justification including factual information such as unit strength, need for the officer's services, area officer recruiting potential and other pertinent data. The unit commanding officer shall submit information indicating the total number of enlisted personnel affiliated and the assigned number of officers in each grade and category; pay, associate pay and associate nonpay:

4. Section 713.352 (a), (d) and (e) is revised to read as follows:

(Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c))

Effective date. These regulations are effective February 1, 1962, but may be observed earlier. The September 1961 edition of Standard Form 32 may be used as soon as available from General Services Administration stores depots, which should be not later than January 2, 1962. The October 1957 edition of Standard Form 32 will not be issued from GSA stores depots after stocks of the September 1961 edition of the form are received.

Dated: October 13, 1961.

JOHN L. MOORE,
Administrator of General Services.

[F.R. Doc. 61-9989; Filed, Oct. 19, 1961;
8:45 a.m.]

RULES AND REGULATIONS

§ 713.352 Orders to active duty for training.

(a) Within the training quotas and funds allocated and subject to regulations prescribed by the Chief of Naval Personnel, reservists in active status may be issued individual orders to active duty for training with or without pay. Orders shall be issued on standard forms and subject to the restrictions set forth in § 713.76.

(d) Active duty for training with pay:

(1) No command is authorized to issue orders to active duty for training with pay unless the command has been allocated funds by the Chief of Naval Personnel. Such orders may be issued only to reservists in a Ready Reserve status.

(2) Transportation may be authorized in accordance with paragraph 6001 of Joint Travel Regulations.

(3) Basic pay, subsistence and quarters allowances are payable as prescribed in the Navy Comptroller Manual, Volume 4, Chapter 4.

(e) Active duty for training without pay:

(1) Commandants are authorized to issue orders to active duty for training without pay only to activities within the geographic limits of their commands. Requests for such duty to be performed outside the geographic limits of the ordering command shall be referred to the Chief of Naval Personnel for approval.

(2) Commanding officers of naval air stations and Naval Air Reserve training units shall refer all requests for active duty for training without pay to the Chief of Naval Air Reserve Training for approval.

(3) Care should be exercised in the issuance of orders to active duty for training without pay so that travel at Government expense may be kept to a minimum consistent with the implementation of proper training for the maximum number of personnel. Subsistence and quarters allowances are payable as applicable, in accordance with the Navy Comptroller Manual, Volume 4, Chapter 4.

(4) Where payment of quarters and subsistence allowances and transportation and subsistence for travel is not intended, permissive type orders must be issued to restrict such payment. Such orders will contain the clause: "You will be entitled to no allowances for subsistence and quarters, nor for reimbursement of expense for travel in connection with above duty. In case you do not desire to bear this expense you will regard this authorization as revoked."

(5) Transportation will be authorized in accordance with Paragraph 6003 of Joint Travel Regulations. The following will be deleted from Paragraph 4 of NAVPERS 3080 and 3081: "and for travel at your own expense subject to reimbursement."

5. Section 713.412(a)(3) is amended by renumbering subdivision (x) as (xi) and by inserting the following new subdivision (x), and § 713.412(e) is revised to read as follows:

§ 713.412 Discharge of inactive-duty enlisted personnel.

(a) * * *

(3) * * *

(x) *Erroneous enlistment.* Discharges may be effected for this reason when authorized or directed by the Chief of Naval Personnel. Requests for discharge for this reason should be accompanied by a full report of the circumstances.

(e) The service records of members of the Naval Reserve on inactive duty who have failed to reply to official correspondence and for whom there is no valid address should be closed out at expiration of obligated service and forwarded to the Chief of Naval Personnel. A discharge certificate will be prepared in accordance with the instructions contained in article C-10504 of the Bureau of Naval Personnel Manual and inserted in the closed-out service record for subsequent delivery to the dischargee. Appropriate entries shall be made in the service record of the fact that discharge was effected at expiration of obligated service.

(R.S. 161, secs. 280, 5031, 70A Stat. 14, 278, as amended; 5 U.S.C. 22, 10 U.S.C. 280, 5031)

By direction of the Secretary of the Navy.

[SEAL]

W. C. MOTT,
Rear Admiral, U.S. Navy, Judge
Advocate General of the Navy.

OCTOBER 13, 1961.

[F.R. Doc. 61-10005; Filed, Oct. 19, 1961;
8:45 a.m.]

Title 21—FOOD AND DRUGS**Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare****SUBCHAPTER B—FOOD AND FOOD PRODUCTS****PART 121—FOOD ADDITIVES****Subpart D—Food Additives Permitted in Food for Human Consumption****POLYSORBATE 80**

The Commissioner of Food and Drugs, having evaluated the data submitted in a petition filed by Diamond Crystal Salt Company, 916 South Riverside Avenue, St. Claire, Michigan, and other relevant material, has concluded that the following amendment to the regulations should issue with respect to the food additive polysorbate 80 as a surfactant when used in the production of coarse crystal sodium chloride. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)), and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (25 F.R. 8625), § 121.1009(c) of the food additive regulations (21 CFR 121.1009 (26 F.R. 4739, 8283)) is amended by adding thereto a new subparagraph (5), reading as follows:

§ 121.1009 Polysorbate 80 (polyoxyethylene (20) sorbitan monooleate).

(c) * * *

(5) As a surfactant in the production of coarse crystal sodium chloride whereby the maximum amount of the additive in the finished sodium chloride does not exceed 10 parts per million (0.001 percent).

Any person who will be adversely affected by the foregoing order may at any time prior to the thirtieth day from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall be effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1))

Dated: October 16, 1961.

JOHN L. HARVEY,
Deputy Commissioner
of Food and Drugs.

[F.R. Doc. 61-10015; Filed, Oct. 19, 1961;
8:47 a.m.]

Title 42—PUBLIC HEALTH**Chapter I—Public Health Service, Department of Health, Education, and Welfare****PART 34—MEDICAL EXAMINATION OF ALIENS****Inclusion of Leprosy and Tuberculosis as Dangerous Contagious Diseases**

Notice of proposed rule making and delay of effective date have been found to be impracticable, unnecessary and contrary to the public interest in the issuance of the following amendments under this Part since aliens afflicted with leprosy and tuberculosis are no longer expressly excluded from admission into the United States (Public Law 87-301) and protection of the public health requires that such diseases be added to the list of dangerous contagious diseases.

§ 34.2 [Amendment]

1. Paragraph (b) of § 34.2 is amended to read as follows:

(b) *Dangerous contagious disease.* Any of the following diseases:

1. Actinomycosis.
2. Amebiasis.
3. Blastomycosis.
4. Chancroid.
5. Favus.
6. Filariasis.
7. Gonorrhea.
8. Granuloma Inguinale.
9. Keratoconjunctivitis Infections.
10. Leishmaniasis.
11. Leprosy.
12. Lymphogranuloma Venereum.
13. Mycetoma.
14. Paragonimiasis.
15. Ringworm of scalp.
16. Schistosomiasis.
17. Syphilis, infectious stage.
18. Trachoma.
19. Trypanosomiasis.
20. Tuberculosis.
21. Yaws.

2. Section 34.7 is amended to read as follows:

§ 34.7 Certificates and notifications; Class A.

A Class A certificate or Class A notification shall be issued with respect to aliens who:

- (a) Are feeble-minded;
- (b) Are insane;
- (c) Have had one or more attacks of insanity;
- (d) Are afflicted with psychopathic personality, epilepsy, or a mental defect;
- (e) Are narcotic drug addicts or chronic alcoholics;
- (f) Are afflicted with any dangerous contagious disease;

Provided, however, That a Class A certificate or Class A notification of a mental defect, disease, or disability shall in no case be issued with respect to an alien having only mental shortcomings due to ignorance, or suffering only from a mental condition (i) attributable to remediable physical causes or (ii) of a temporary nature, caused by a toxin, drug, or disease.

(Secs. 215, 325, 58 Stat. 690, 697; 42 U.S.C. 216, 252. Interpret or apply sec. 325, 58 Stat. 697; secs. 212, 234, 66 Stat. 182, 198; 42 U.S.C. 252; 8 U.S.C. 1182, 1224)

Effective date. These amendments shall become effective immediately upon publication in the FEDERAL REGISTER.

Dated: October 10, 1961.

[SEAL] LUTHER L. TERRY,
Surgeon General.

Approved: October 13, 1961.

JAMES M. QUIGLY,
Acting Secretary.

[F.R. Doc. 61-10016; Filed, Oct. 19, 1961;
8:47 a.m.]

Title 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 151—CUSTOMS

PART 168—DIRECTORY OF INTERNATIONAL MAIL

Miscellaneous Amendments

The regulations of the Post Office Department are amended as follows:

I. In § 151.5 *Treatment at delivery of office*, as published in 26 F.R. 8720-8722, make the following changes:

A. Amend subparagraph (4) of paragraph (g) for the purpose of clarification to read as follows:

(g) *Refund of duty.* * * *

(4) *No duty refund in certain cases.* When an addressee requests delivery of parcel post packages to be made at his residence or place of business after the customs duty thereon has been paid at the post office, the Treasury Department has declined to refund the duty in such cases when the goods become lost between the post office and the addressee's residence or place of business, and if there should be any loss there is no appropriation available from which the Post Office Department could make reimbursement for the amount of duty paid.

NOTE: The corresponding Postal Manual section is 261.574.

B. Subparagraph (1) of paragraph (i) is amended to eliminate the necessity for preparing Form 2937 in connection with dutiable packages forwarded to another United States post office for delivery. As to amended, subparagraph (1) read as follows:

(i) *Forwarding or returning dutiable mail—(1) Forwarding within the United States.* Dispatch package is prescribed in § 114.3(a) of this chapter (for postal union articles) or § 122.4(a) of this chapter (for parcel post). Allow the customs Forms 3419 to remain attached to the redirected package in its original package, which is also redirected to the new address. Prepare a single copy of Form 3814 "Record of COD Parcels Held for Delivery", showing name of addressee and forwarding address. In "Bin No." block on Form 3814, enter the 6-digit serial number from related Customs Form 3419. Mail Form 3814 to the collector of customs who issued the entry.

NOTE: The corresponding Postal Manual section is 261.591.

II. In § 168.5 *Individual country regulations*, as published in 26 F.R. 8728-8805, make the following changes as a result of the southern part of "British Cameroons" being merged with "Cameroun"; and the northern portion being combined with "Nigeria".

A. Delete the country "British Cameroons" and the accompanying data where it appears in the alphabetical listing of countries therein.

B. In "Places Not Included in Alphabetical List of Countries" insert "British Cameroons (Cameroun or Nigeria)," and "Cameroons (British) (Cameroun or Nigeria)" in proper alphabetical order.

(R.S. 161, as amended; 5 U.S.C. 22, 39 U.S.C. 501, 505)

LOUIS J. DOYLE,
General Counsel.

[F.R. Doc. 61-10029; Filed, Oct. 19, 1961;
8:49 a.m.]

Proposed Rule Making

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

[8 CFR Parts 242, 243, 245, 249, 299]

APPLICATIONS FOR DISCRETIONARY BENEFITS

Notice of Proposed Rule Making

Pursuant to section 4 of the Administrative Procedure Act (60 Stat. 238; 5 U.S.C. 1003), notice is hereby given of the proposed issuance of the following rules pertaining to applications for discretionary benefits during the deportation hearing. In accordance with subsection (b) of said section 4, interested persons may submit to the Commissioner of Immigration and Naturalization, Room 767, 119 D Street NE., Washington 25, D.C., written data, views, or arguments relative to these proposed rules. Such representations may not be presented orally in any manner. All relevant material received within 20 days following the day of publication of this notice will be considered.

PART 242—PROCEEDINGS TO DETERMINE DEPORTABILITY OF ALIENS IN THE UNITED STATES: APPREHENSION, CUSTODY, HEARING, AND APPEAL

1. Paragraph (a) of § 242.8 is amended to read as follows:

§ 242.8 Special inquiry officers.

(a) *Authority.* In any proceeding conducted under this part, the special inquiry officer shall have the authority to determine deportability and to make decisions including orders of deportation as provided by section 242(b) of the Act, to reinstate orders of deportation as provided by section 242(f) of the Act, to take or cause depositions to be taken, to determine applications for discretionary benefits under sections 244, 245, and 249 of the Act, to designate the country to which the alien will be deported in accordance with section 243(a) of the Act, to withhold deportation pursuant to section 243(h) of the Act, and to take any other action consistent with applicable provisions of law and regulation. In his discretion, the special inquiry officer may exclude from the record any argument in connection with motions, applications, or objections, but in such event the party affected may submit a brief. Nothing contained in this part shall be construed to diminish the authority conferred on special inquiry officers by the Act.

§ 242.9 [Amendment]

2. The last sentence of paragraph (a) "Authority" of § 242.9 *Examining officers* is amended to read as follows: "The ex-

amining officer is authorized to appeal from a decision of a special inquiry officer pursuant to § 242.22 and to move for reopening or reconsideration pursuant to § 103.5 of this chapter."

§ 242.16 [Amendment]

3. Paragraph (e) "Application for discretionary relief" of § 242.16 *Hearing* is revoked.

4. Sections 242.17 through 242.23 are revoked and new §§ 242.17 through 242.23 are added to read as follows:

§ 242.17 Relief from deportation.

(a) *Application for discretionary benefits.* The respondent may apply to the special inquiry officer during the hearing for voluntary departure or on Form I-256A for suspension of deportation under section 244 of the Act and Part 244 of this chapter, on Form I-485 for adjustment of status under section 245 of the Act and Part 245 of this chapter or for creation of a record of lawful admission for permanent residence under section 249 of the Act and Part 249 of this chapter, or for such other remedy as may be appropriate to the case. The special inquiry officer shall notify the respondent when it appears that he may be eligible to apply for the benefits of sections 244, 245, or 249 of the Act but the respondent shall have the burden of establishing his eligibility and worthiness for any requested benefits and may submit supporting evidence. The procedure provided herein shall be the sole method of requesting the discretionary benefits specified herein by an alien who has been served with an order to show cause. The filing of an application under this paragraph shall not be held to constitute a concession of alienage or deportability in any case where the respondent does not admit his alienage or deportability.

(b) *Place of deportation; claim of physical persecution.* The special inquiry officer shall notify the respondent of the country to which deportation will be directed pursuant to section 243(a) of the Act if he is finally ordered deported with opportunity provided for the respondent to make an initial selection promptly. The special inquiry officer may designate places of deportation in the alternative. The respondent shall be advised that he may have ten days in which to apply for withholding of deportation pursuant to section 243(h) of the Act if he believes he would be subject to physical persecution in the country designated by the special inquiry officer. The application shall consist of respondent's affidavit setting forth reasons in support of his request. The respondent shall submit himself to interrogation under oath and may present such pertinent evidence or information as he has readily available. The respondent has the burden of satisfying the

special inquiry officer that he would be subject to physical persecution as claimed. The opinion formed by the special inquiry officer pursuant to section 243(h) of the Act shall be based upon the evidence or information submitted by the respondent and any other pertinent and available evidence or information.

§ 242.18 Decision of the special inquiry officer.

(a) *Contents.* The decision of the special inquiry officer may be oral or written. Except in cases where deportability is determined on the pleadings pursuant to § 242.16 (b) or (d), the decision shall include a summary of the evidence and shall set forth findings of fact and conclusions of law as to deportability. Adoption by the special inquiry officer of the factual allegations and charges in the order to show cause or of the additional factual allegations and lodged charges shall constitute the setting forth of findings of fact and conclusions of law within the meaning of this paragraph. When respondent has applied for discretionary benefits or for withholding of deportation under section 243(h) of the Act, the decision shall also contain a determination of these matters and the reasons for granting or denying the application. The decision shall be concluded with the order of the special inquiry officer.

(b) *Summary decision.* Notwithstanding the provisions of paragraph (a) of this section, in any case where deportability is determined on the pleadings pursuant to § 242.16(b) and the respondent does not apply for any discretionary relief, or the respondent applies for voluntary departure only and the special inquiry officer grants the application, the special inquiry officer may enter a summary decision on Form I-38, if deportation is ordered, or on Form I-39 if voluntary departure is granted with an alternate order of deportation.

(c) *Use of non-record information.* In determining an application for discretionary relief from deportation in proceedings under this part, the special inquiry officer may consider and rely upon information not contained in the record only when the Commissioner has determined that it is in the interest of national security and safety to do so.

§ 242.19 Order of the special inquiry officer.

The order of the special inquiry officer shall be that the respondent be deported to a designated country; or that the proceedings be terminated; or that the respondent be granted or denied discretionary benefits; or that the respondent be granted or denied withholding of deportation pursuant to section 243(h) of the Act; or any combination of these orders; or that such other action be taken in the proceedings as may be re-

quired for the appropriate disposition of the case.

§ 242.20 Notice of decision.

(a) *Written decision.* A written decision shall be served upon the respondent and the examining officer, if any, together with the notice referred to in § 3.3 of this chapter. Service by mail is complete upon mailing.

(b) *Oral decision.* An oral decision shall be stated by the special inquiry officer in the presence of the respondent and the examining officer, if any, at the conclusion of the hearing. Unless appeal from the decision is then and there waived, a typewritten copy of the oral decision shall be served in the same manner as a written decision.

(c) *Summary decision.* When the special inquiry officer renders a summary decision as provided in § 242.18(b), he shall serve a copy thereof upon the respondent at the conclusion of the hearing. Unless appeal from the decision is waived, the respondent shall also be furnished with two copies of Notice of Appeal, Form I-290A, and advised of the provisions of § 242.22.

§ 242.21 Finality of order.

The order of the special inquiry officer shall be final except when the case has been certified as provided in Part 3 or Part 103 of this chapter, or an appeal is taken to the Board of Immigration Appeals by the respondent or by the examining officer.

§ 242.22 Appeals.

Pursuant to Part 3 of this chapter an appeal shall lie from a decision of a special inquiry officer under this part to the Board of Immigration Appeals. An appeal shall be taken within ten days after the mailing of a written decision, or of the typewritten copy of an oral decision, or the service of a summary decision on Form I-38 or Form I-39. The reasons for the appeal shall be stated briefly in the Notice of Appeal, Form I-290A. Failure to do so may constitute a ground for denial of the appeal by the Board.

§ 242.23 Proceedings under section 242 (f) of the Act.

(a) *Applicable regulations.* Except as hereafter provided in this section, all the provisions of §§ 242.8 to 242.22, inclusive, shall apply to the case of a respondent within the purview of § 242.6.

(b) *Deportability.* In determining the deportability of an alien alleged to be within the purview of § 242.6, the issues shall be limited solely to a determination of the identity of the respondent, i.e., whether the respondent is in fact an alien who was previously deported, or who departed while an order of deportation was outstanding; whether the respondent was previously deported as a member of any of the classes described in paragraph (4), (5), (6), (7), (11), (12), (14), (15), (16), (17), or (18) of section 241(a) of the Act; and whether respondent unlawfully reentered the United States.

(c) *Order.* If deportability as charged pursuant to § 242.6 is established, the special inquiry officer shall order that

the respondent be deported under the previous order of deportation in accordance with section 242 (f) of the Act, or shall enter such other order as may be required for the appropriate disposition of the case.

(d) *Examining officer; additional charges.* When an examining officer is assigned to a proceeding under this section and additional charges are lodged against the respondent, the provisions of paragraph (b) of this section shall cease to apply.

Part 243 is amended to read as follows:

PART 243—DEPORTATION OF ALIENS IN THE UNITED STATES

Sec.

243.1 Warrant of deportation.

243.2 Expulsion.

243.3 Stay of deportation.

243.4 Self-deportation.

AUTHORITY: §§ 243.1 to 243.4 issued under sec. 103, 66 Stat. 173; 8 U.S.C. 1103. Interpret or applies sec. 243, 66 Stat. 212; 8 U.S.C. 1253.

§ 243.1 Warrant of deportation.

A warrant of deportation based upon the final administrative order of deportation in the alien's case shall be issued by a district director. The district director shall exercise the authority contained in section 243 of the Act to determine at whose expense the alien shall be deported and whether his mental or physical condition requires personal care and attendance en route to his destination.

§ 243.2 Expulsion.

Immediately after the issuance of a warrant of deportation or as promptly as the circumstances permit, the alien, if not in the physical custody of the Service, shall be taken into custody under the authority of the warrant of deportation and deported.

§ 243.3 Stay of deportation.

Any request by an alien under a final administrative order of deportation for a stay of deportation shall be filed on Form I-246 with the district director having jurisdiction over the place where the alien is at the time of filing. The district director, in his discretion, may grant a stay of deportation for such time and under such conditions as he may deem appropriate. Written notice of the disposition of the alien's request shall be served upon him, but neither the making of the request nor the failure to receive notice of the decision thereon shall relieve or excuse the alien from presenting himself for deportation at the time and place designated for his deportation. Denial by the district director of a request for a stay is not appealable but such denial shall not preclude the Board from granting a stay in connection with a motion to reopen or a motion to reconsider as provided in Part 3 of this chapter.

§ 243.4 Self-deportation.

A district director may permit an alien ordered deported to deport himself at his own expense and to a destination of his

own choice. Any alien who has departed from the United States while an order of deportation is outstanding shall be considered to have been deported in pursuance of law.

Part 245 is amended to read as follows:

PART 245—ADJUSTMENT OF STATUS OF NONIMMIGRANT TO THAT OF A PERSON ADMITTED FOR PERMANENT RESIDENCE

Sec.

245.1 Eligibility.

245.2 Application.

245.3 Documentary requirements.

245.4 Medical examination.

AUTHORITY: §§ 245.1 to 245.4 issued under sec. 103, 66 Stat. 173; 8 U.S.C. 1103. Interpret or apply secs. 101, 204, 205, 212, 234, 242, 245, 247, 249, 66 Stat. 166, as amended, 179, 180, as amended, 182, as amended, 198, 208, as amended, 217, as amended, 218, 219, as amended; sec. 13, 71 Stat. 642; 8 U.S.C. 1101, 1154, 1155, 1182, 1224, 1252, 1255, 1255b, 1257, 1259.

§ 245.1 Eligibility.

An alien who (a) on arrival in the United States was serving in any capacity on board a vessel or aircraft, (b) on arrival in the United States was destined to join a vessel or aircraft in the United States to serve in any capacity thereon, or (c) has entered the United States without having been inspected and admitted by an immigration officer, is not eligible to apply for the benefits of section 245 of the Act. A visa shall not be held to be available for a person claiming a preference quota or a nonquota status under section 101(a)(27)(A) or (F) unless a petition to accord such status has been approved in accordance with section 204 or 205 of the Act. An alien who has a nonimmigrant status under paragraph (15)(A), (15)(E), or (15)(G) of section 101(a) of the Act, or has an occupational status which would, if he were seeking admission to the United States, entitle him to a nonimmigrant status under any of such paragraphs of section 101(a) of the Act, shall not be eligible to apply for adjustment of status without first executing and submitting with his application the written waiver required by section 247(b) of the Act and Part 247 of this chapter. No alien who has had the status of an exchange alien in the United States may apply for adjustment of status unless he has complied with the foreign-residence requirements of section 212(e) of the Act or that requirement has been waived. Except as provided in Part 249 of this chapter, an application under this part shall be the sole method of requesting the exercise of discretion under section 212(f), (g), or (h) of the Act, insofar as they relate to excludability of an alien in the United States.

§ 245.2 Application.

Except as otherwise provided in Part 242 of this chapter, an alien who believes that he meets the eligibility requirements of section 245 of the Act and § 245.1 shall apply on Form I-485 to the district director having jurisdiction over his place of residence. An application for the benefits of section 13 of the Act of September 11, 1957, shall be filed in the

same manner as provided in this section. The applicant shall be notified of the decision and if the application is denied of the reasons therefor and of his right to appeal in accordance with the provisions of Part 103 of this chapter. Denial of an application under this section shall be without prejudice to the alien's right to renew an application in proceedings under Part 242 of this chapter.

§ 245.3 Documentary requirements.

The provisions of Part 211 of this chapter relating to the documentary requirements for immigrants shall not apply to an applicant for adjustment of status under this part.

§ 245.4 Medical examination.

Upon acceptance of an application, the applicant shall be requested to submit to an examination by a medical officer of the United States Public Health Service, whose report setting forth the findings of the mental and physical condition of the applicant shall be incorporated into the record. Any applicant certified under paragraph (1), (2), (3), (4), or (5) of section 212(a) of the Act may appeal to a Board of medical officers of the United States Public Health Service as provided in section 234 of the Act and Part 236 of this chapter.

Part 249 is amended to read as follows:

PART 249—CREATION OF RECORD OF LAWFUL ADMISSION FOR PERMANENT RESIDENCE

Sec.
249.1 Waiver of inadmissibility.
249.2 Application.

AUTHORITY: §§ 249.1 and 249.2 issued under sec. 103, 66 Stat. 173; 8 U.S.C. 1103. Interpret and apply secs. 212, 249, 66 Stat. 182, as amended, 219, as amended; 8 U.S.C. 1182, 1259.

§ 249.1 Waiver of inadmissibility.

An otherwise eligible alien who is inadmissible under paragraphs (9), (10), or (12) of section 212(a) of the Act may be granted a waiver of these grounds of inadmissibility pursuant to the provisions of section 212(g) of the Act in a proceeding under this part.

§ 249.2 Application.

Except as otherwise provided in Part 242 of this chapter, an alien who believes that he meets the eligibility requirements enumerated in section 249 of the Act shall apply on Form I-485 to the district director having jurisdiction over his place of residence. The applicant shall be notified of the decision and if the application is denied of the reasons therefor and of his right to appeal in accordance with the provisions of Part 103 of this chapter. If the application is granted, a Form I-151, showing that the applicant has acquired the status of an alien lawfully admitted for permanent residence, shall not be issued until the applicant surrenders any other document in his possession evidencing compliance with the alien registration requirements of former or existing law. Denial of an application under this sec-

tion shall be without prejudice to the alien's right to renew an application in proceedings under Part 242 of this chapter.

PART 299—IMMIGRATION FORMS

Section 299.1 *Prescribed forms* is amended by adding the following form and reference thereto:

Form No. Title and description
I-246 Application for Stay of Deportation.

(Sec. 103, 66 Stat. 173; 8 U.S.C. 1103)

Dated: October 17, 1961.

J. M. SWING,
Commissioner of
Immigration and Naturalization.

[F.R. Doc. 61-10024; Filed, Oct. 19, 1961;
8:48 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Stabilization and Conservation Service

[7 CFR Parts 908, 918]

[Docket Nos. AO-243-A5 and AO219-A9]

MILK IN CENTRAL ARKANSAS AND MEMPHIS, TENNESSEE, MARKETING AREAS

Notice of Recommended Decision and Opportunity To File Written Exceptions on Proposed Amendments to Tentative Marketing Agreements and Orders

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended decision of the Assistant Secretary with respect to proposed amendments to the tentative marketing agreements and orders regulating the handling of milk in the Central Arkansas and Memphis, Tennessee, marketing areas. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D.C., not later than the close of business the 10th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate.

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreements and to the orders, were formulated, was conducted at Memphis, Tennessee, and Little Rock, Arkansas, on July 18-20, 1961, pursuant to notice thereof which was issued June 23, 1961 (26 F.R. 5803).

The material issues on the record of the hearing relate to:

1. The Memphis, Tennessee, Class I price;
2. The Central Arkansas Class I price;
3. Handler location differentials;

4. Plants subject to another order; and

5. Class I price for milk distributed in another marketing area.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. *The Memphis, Tennessee, Class I price.* The Class I price should be revised to (1) delete the butter-cheese price formula from the list of basic formula price alternatives, (2) change the present butter-powder price formula, (3) provide some seasonal adjustment to the Class I price differential, and (4) revise application of the supply-demand adjutor.

The present Class I price is determined by adding to the basic formula price for the preceding month a Class I differential of \$1.74. Such price is further adjusted by a supply-demand adjutor. The basic formula price is the highest of the following alternative price formulas: (1) The Midwest condensery prices, (2) a butter-powder formula, and (3) a butter-cheese formula.

The handlers regulated by the order proposed that the Memphis Class I price be closely aligned to the Paducah, Kentucky, Class I price. It was proposed that the Memphis Class I price be 14 cents over the Paducah Class I price at 4.0 percent butterfat content. They contended that a Paducah handler had a substantial increase in his sales within the marketing area during the past 18 months because of the disparity between the Paducah and Memphis Class I prices. The producer associations supplying the market proposed that no changes be made in the present Class I pricing structure.

The supply of producer milk presently is adequate in relation to the Class I disposition. During the past 30 months producer receipts ranged from a high of 129 percent to a low of 105 percent of Class I disposition. For the years 1959 and 1960 the relationship of producer receipts to Class I sales averaged 111.8 and 112.6 percent, respectively. For the most recent 12-month period of July 1960 to June 1961, it averaged 110.9 percent. When the receipts and Class I sales which the cooperative association marketed outside the order are added to the producer receipts and Class I sales, the average relationship of receipts to Class I sales was 117.6 percent in 1959, 117.8 percent in 1960 and 115.5 percent in the most recent 12-month period.

Producer milk used in Class I has increased proportionately to increased total deliveries of producers largely because handlers have increased sales made outside the Memphis marketing area. Out-of-area sales rose 18 percent from 1959 to 1960 compared to a 5 percent increase in in-area sales. During the first six months of 1961 out-of-area sales rose 31 percent compared to a 3 percent increase in in-area sales.

Despite the relatively constant ratio of producer milk to Class I sales in recent years producers supplying the Memphis market have lost sales through the increased sales within the Memphis mar-

keting area by handlers from other markets. Class I disposition in the Memphis marketing area by handlers regulated under other Federal orders increased 27 percent from 1959 to 1960 and another 15 percent during the first six months of 1961. The sales for the most part were made by handlers regulated under the Central Arkansas and Paducah orders. Lower returns to Memphis producers would result from this continuing loss of Class I sales. This situation should be rectified by price alignment with nearby markets.

The Class I prices in Memphis and Little Rock have been identical during this period but the Memphis Class I price has exceeded the Paducah price for milk of the same butterfat content by more than the cost of transporting milk from Paducah to Memphis. The difference in price has been accentuated in 1960 and 1961 because the basic formulas used in computing the Class I prices in the two markets differ.

In all but one month since December 1959, the butter-cheese formula price in the Memphis order has been at levels considerably above the other basic formula price alternatives and consequently has had a major effect on the Class I price. If the butter-cheese formula had not been a part of the basic formula price in 1960, the basic formula price would have averaged 14 cents less than what it was for that year. Likewise, for the first six months of 1961, the basic formula price without the butter-cheese formula would have averaged 10.5 cents less. Before 1960, the butter-cheese formula had not varied greatly from other alternative basic formula prices. Because of the butter-cheese formula price in the Memphis, Tennessee, order, movements of the basic formula price in this market have shown considerable variance from movements of basic formula prices in surrounding markets since December 1959.

The butter-powder price formula should be revised also to maintain proper alignment with basic formula prices of nearby markets which would serve as alternative sources of supply for this market. Markets which serve as alternative sources of supply and which have a butter-powder formula are Paducah, Ozarks, St. Louis, and Suburban St. Louis. The butter-powder price alternative of the basic formula price for the year 1960 in Paducah averaged \$3.224 (adjusted to 4.0 percent by multiplying 0.6 by the Chicago 92-score butter price). The Memphis butter-powder price averaged for the same period \$3.43 for 4.0 percent milk. In view of the extensive competition from the Paducah market for Class I sales in the market, the butter-powder price alternative of the basic formula price should be aligned with butter-powder price alternative of the basic formula price in the Paducah marketing area. A butter-powder formula similar to the Paducah one has been used in determining the St. Louis, Ozarks and Suburban St. Louis Class I prices. Since there is a fixed relationship between the Chicago Class I price and the Class I prices in the St. Louis, Ozarks and Suburban St. Louis

markets, the Class I prices in these markets depend on the Chicago formula.

Official notice is hereby taken of the final decision issued August 4, 1961, on proposed amendments to the Chicago, Illinois, milk order which deleted from the basic formula the butter-powder price alternative formula from the order and adopted the Minnesota-Wisconsin price series. This makes the basic formula price the higher of Midwest condensery price series or the Minnesota-Wisconsin prices. The Minnesota-Wisconsin prices have averaged slightly less than the Midwest condensery series.

This should provide reasonable alignment of the basic formula price with corresponding prices for all the markets to the north which serve as potential sources of supply. This alignment should insure the Memphis producers that they will be able to continue to sell Class I milk in competition with the above mentioned markets. The change reduces the Memphis basic formula 14 cents (based on January-June 1961). The disparity between the Memphis market and other market prices, if allowed to continue, could result in a significant reduction in Class I sales in Memphis for Memphis producers. This price disparity in the long run would tend to reduce returns to Memphis producers.

Three plants listed in the Midwest condensery series should be deleted from the list contained in the order because these plants have closed and are no longer reporting pay prices. They are the Borden Co., Mt. Pleasant, Michigan, the Carnation Co., Oconomowoc, Wisconsin, and the Carnation Co., Sparta, Michigan.

In view of the present relationship of producer receipts to Class I sales and the increase in Class I sales by Memphis handlers, the level of the Class I differential should not be reduced.

However, the Class I differential should be adjusted seasonally to reduce seasonal differences in the Memphis Class I price compared to markets to the north from which milk is available to the Memphis market. The Class I differential in the Paducah, Kentucky, order is \$1.50 during the months of August through February, \$1.20 in March and July and \$0.90 in April, May and June. The Class I prices in St. Louis and Suburban St. Louis are tied directly or indirectly to the Chicago, Illinois, Class I price. The St. Louis Class I price is 50 cents more than the Chicago Class I price while the Suburban St. Louis Class I price is 10 cents less than the St. Louis price and the Ozarks price varies seasonally from 20 to 27 cents less than the St. Louis Class I price. The Chicago Class I differential is 70 cents in March through June, 90 cents in July and December through February, and \$1.10 in August through November.

The Class I differential in the Memphis order should be changed to \$1.84 in August through February and \$1.60 in March through July. Although the annual average of these Class I differentials will remain at \$1.74, the prices will be somewhat more closely aligned with the pattern of prices in these other markets.

Changes in the production and Class I sales of milk for the market should be reflected in the current supply-demand computations. The present supply-demand adjutor must have a deviation from the base utilization range in the same direction for three consecutive months before any monetary adjustment is made in the Class I price. This limitation should be deleted so that any increase or decrease in receipts or sales may be reflected immediately. However, the adjustment should be limited to six cents in any given month more or less than the adjustment for the previous month. This would allow the supply-demand mover to move only two percentage points per month outside the base utilization range. This curb on the adjustment will eliminate any erratic movement yet will reflect the trend of the supply-sales relationship. Such a provision would have been effective only during the months of July, August and September 1960, in which it would have reduced the Class I price 6, 12, and 6 cents, respectively.

2. Central Arkansas Class I price. There is some overlapping of milk supply areas for Memphis and Central Arkansas. There are also Class I sales made by Memphis handlers in the Central Arkansas marketing area and by Central Arkansas handlers in the Memphis marketing area. It is important, therefore, that Class I prices in the two areas be maintained in general alignment. This can be achieved by using the same basic formula in all areas.

The necessity for absolute alignment appears to be no greater in the case of Central Arkansas versus Memphis than in the case of Paducah and Memphis Class I prices. Each market has a regular supply of milk obtained largely from the cooperative associations identified with the respective markets. Each market is supplied by handlers who do the major portion of their business in the respective marketing areas.

This record does not contain sufficient evidence to support the need for making changes in the fluid differential identical to those recommended for Memphis. Producers asked that their present differential be maintained until full consideration of the Central Arkansas price is given at a separate hearing. Therefore, the Central Arkansas Class I price should be determined independently from the Memphis Class I price from the effective date of this amendment, until March 1962, and the existing Class I differential of \$1.74 should be maintained. Within this period a hearing can be called to consider more permanent Class I price provisions.

An expiration date should be placed on the provision which relates to the payment on milk distributed in the marketing area by Memphis handlers. It has been proposed to change the seasonality of the Memphis Class I differential. Such a change will have a substantial effect on the amount of money a Memphis handler will have to pay to the Central Arkansas producer-settlement fund on such milk beginning in March 1962 when the lower Memphis Class I differential will go into effect.

Therefore, this provision should remain in effect only through February 1962 so that it may be considered at the hearing which will concern the level of the Class I price.

3. *Location differentials.* No change should be made in the location differential provisions.

The cooperative association proposed that the location differential credit to handlers be limited to 20 cents per hundredweight. Handlers proposed the elimination of the location differential at Jackson, Tennessee.

The proposal by the cooperative association would inhibit the movement of milk into the market from distant points when the milk might actually be needed in the market. The location differentials are designed to reflect the cost of moving milk to the market regardless of the distance. The Memphis market at times has had to import milk from other markets to the north. Such a proposal would arbitrarily establish a price for milk at distant plants greater than the Memphis price adjusted by transportation costs. Therefore, the proposed amendment is denied.

The proposal by the handlers to eliminate the location differential at Jackson, Tennessee, should also be denied. The present location differential at Jackson, Tennessee, is 13.5 cents per hundredweight. The rate of 13.5 cents per hundredweight reflects experience relative to the additional cost of moving milk to Memphis area plants rather than to Jackson, Tennessee, plants from farms located in and around Jackson.

4. *Milk subject to pricing under other Federal orders.* The proposal to change the current Memphis, Tennessee, order language with respect to plants subject to another order is denied. Under the present provision, a plant that has sales in the Memphis marketing area and in the marketing area of another Federal order will not become a handler regulated under the Memphis order unless a volume of Class I milk was disposed of from such plant during the six-month period immediately preceding to retail and wholesale outlets (except fluid milk plants) in the Memphis, Tennessee, marketing area greater than the volume disposed of in the marketing area regulated pursuant to such other order. The Mid-South Milk Producers Association advocated the deletion of the words "during the six-month period immediately preceding" thus putting the pool status of a handler of another market selling in the Memphis marketing area on a month-to-month basis.

The present order language was designed to prevent a shift back and forth between the Central Arkansas and Memphis orders on a month-to-month basis. A pool plant shifting between order regulations creates uncertainty and undue hardships for the producers concerned.

The proposal to use only the current month performance was designed to regulate the Paducah handler under the Memphis order if, in a single month, his sales in the Memphis area exceeded those in the Paducah area. Such a change in regulation would relieve the handler from regulation under the Paducah order which operates on a market-

wide pool and make him subject to the Memphis regulation which is an individual handler pool. Since the Memphis market operates on an individual handler pool basis the blend prices received by producers who regularly supply the Memphis market would not be affected by such a shift in regulation. The shift would affect the blend prices received by producers in the Paducah market. Therefore, the shift in regulation from one market to the other should be made only when it is established that a handler has maintained greater sales in the Memphis marketing area for a six-month period.

5. *Class I price for milk distributed in another marketing area.* A proposed amendment by the cooperative association to add a new section to the Memphis, Tennessee, order whereby the price of Class I milk distributed in another Federal order marketing area be the higher of the Memphis Class I price or the price determined pursuant to the other Federal order is denied.

The Class I prices in each Federal order market are established at levels which will obtain an adequate supply of milk for the respective market. These prices reflect prices of alternative supplies of milk and local supply and demand conditions. The prices are established at the plant where such milk is received from producers. Even though some of the milk received for the Memphis market is actually disposed of in another Federal order marketing area its value remains the same as if it were disposed of in Memphis. Therefore, the Memphis Class I price should apply to all Class I milk received from producers regardless of the area in which it is sold.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid orders and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreements and the orders, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to Section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds,

and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreements and the orders, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreements and the orders, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Recommended marketing agreements and orders amending the orders. The following orders amending the orders regulating the handling of milk in the Central Arkansas and Memphis, Tennessee, marketing areas are recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreements are not included in this decision because the regulatory provisions thereof would be the same as those contained in the orders, as hereby proposed to be amended:

Amendments to Part 918 with respect to the Memphis, Tennessee, order:

1. Delete § 918.50 and substitute therefor the following:

§ 918.50 Basic formula price.

The higher of the prices computed pursuant to paragraph (a) or (b) of this section, rounded to the nearest whole cent, shall be known as the basic formula price.

(a) Add an amount computed by multiplying the Chicago butter price for the month by 0.6 to the average of the basic or field prices per hundredweight reported to have been paid or to be paid for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department of Agriculture:

Present Operator and Location

Pet Milk Co., Wayland, Mich.
Pet Milk Co., Coopersville, Mich.
Borden Co., Orfordville, Wis.
Borden Co., New London, Wis.
Carnation Co., Richland Center, Wis.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Belleville, Wis.
White House Milk Co., Manitowoc, Wis.
White House Milk Co., West Bend, Wis.

(b) The sum of the amounts of determined pursuant to subparagraphs (1), (2), and (3) of this paragraph less 75 cents:

(1) Multiply by 4.24 the simple average, as computed by the market administrator of the daily wholesale selling prices (using the midpoint of any price range as one price) of 93-score bulk creamery butter per pound at Chicago, as reported by the Department of Agriculture, during the month: *Provided*, That if no price is reported for 93-score butter, the highest of the prices reported for 92-score butter for the day shall be

used in lieu of the price for 93-score butter;

(2) Multiply by 8.2 the weighted average of carlot prices per pound for spray process nonfat dry milk solids, for human consumption, f.o.b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the Department of Agriculture; and

(3) Multiply the Chicago butter price for the month by 0.6.

§ 918.51 [Amendment]

2. Delete § 918.51(a) (1) and (2) and substitute therefor the following:

(1) Add \$1.60 in each of the months of March through July and \$1.84 in all other months.

(2) Add if the net utilization percentage calculated pursuant to subparagraph (3) of this paragraph is less than, or subtract if it is more than the base utilization range, an amount determined by multiplying such net utilization percentage by three cents: *Provided*, That the amount added or subtracted shall not vary more than six cents from the amount added or subtracted during the immediately preceding month.

Amendments to Part 908 with respect to the Central Arkansas order:

1. Delete § 908.50 and substitute therefor the following:

§ 908.50 Basic formula price.

The higher of the prices computed pursuant to paragraphs (a) or (b) of this section, rounded to the nearest whole cent, shall be known as the basic formula price.

(a) Add an amount computed by multiplying the Chicago butter price for the month by 0.6 to the average of the basic or field prices per hundredweight reported to have been paid or to be paid for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department of Agriculture:

Present Operator and Location

Pet Milk Co., Wayland, Mich.
Pet Milk Co., Coopersville, Mich.
Borden Co., Orfordville, Wis.
Borden Co., New London, Wis.
Carnation Co., Richland Center, Wis.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Belleville, Wis.
White House Milk Co., Manitowoc, Wis.
White House Milk Co., West Bend, Wis.

(b) The sum of the amounts determined pursuant to subparagraphs (1), (2), and (3) of this paragraph less 75 cents:

(1) Multiply by 4.24 the simple average, as computed by the market administrator of the daily wholesale selling prices (using the midpoint of any price range as one price) of 93-score bulk creamery butter per pound at Chicago, as reported by the Department of Agriculture, during the month: *Provided*, That if no price is reported for 93-score butter, the highest of the prices reported for 92-score butter for the day shall be used in lieu of the price for 93-score butter;

(2) Multiply by 8.2 the weighted average of carlot prices per pound for spray process nonfat dry milk for human consumption, f.o.b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the immediately preceding month through the 25th day of the current month by the Department of Agriculture; and

(3) Multiply the Chicago butter price for the month by 0.6.

§ 908.51 [Amendment]

2. Delete § 908.51(a) and substitute therefor the following:

(a) *Class I milk*. During the period through February 1962 the Class I milk price shall be the basic formula price for the preceding month plus \$1.74.

§ 908.61 [Amendment]

3. Delete § 908.61(c) and substitute therefor the following:

(c) From the effective date of this amendment through February 1962 for skim milk or butterfat, which is priced under Federal Order No. 18 for the Memphis, Tennessee, marketing area, and which is disposed of as Class I milk in the marketing area on a route operated by or for a person subject to regulation as a handler defined in such order, if the price which such handler is required to pay under Federal Order No. 18 for milk which would be classified as Class I milk under this part is less than the Class I price provided by this part, such handler shall pay to the market administrator for deposit into the producer-settlement fund (with respect to all milk disposed of as Class I milk on routes in the marketing area) an amount equal to the difference between the value as determined pursuant to this part and its value as determined pursuant to Federal Order No. 18.

Signed at Washington, D.C., on October 17, 1961.

JAMES T. RALPH,
Assistant Secretary.

[F.R. Doc. 61-10032; Filed, Oct. 19, 1961; 8:49 a.m.]

[7 CFR Part 943]

[Docket No. AO 231-A17]

MILK IN NORTH TEXAS MARKETING AREA

Decision on Proposed Amendments to Tentative Marketing Agreement and Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Dallas, Texas, on August 29, 1961, pursuant to notice thereof issued on August 18, 1961 (26 F.R. 7837).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Assistant Secretary, United States Department of Agriculture, on September 22, 1961 (26 F.R. 9083; F.R.

Doc. 61-9261) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

The material issue on the record of the hearing relates to revision of the order provisions to provide a temporary lower pricing for milk used to produce Cheddar cheese.

Findings and conclusions. The following findings and conclusions on the material issue are based on the evidence presented at the hearing and the record thereof:

The order should be amended to provide a lower pricing for milk used to produce Cheddar cheese through March 1962. The price for milk so utilized should be determined by multiplying by 9 the average daily prices paid per pound of cheese at Wisconsin Primary markets ("Cheddars" f.o.b. Wisconsin—assembly points, cars or truckloads) as reported by the Department for the month and rounded to the nearest tenth of a cent.

Under the present order provisions milk disposed of for other than Class I (fluid) uses is classified as Class II and is priced at the higher of the prices computed on the basis of a butter-powder formula or on the basis of a Cheddar cheese formula. However, during the months of April, May, and June the computation on the basis of the butter-powder formula is reduced by 14 cents. The value computed on the basis of the Cheddar cheese formula has never been the effective price and there is little likelihood that this could ever occur.

The North Texas Producers Association, which represents nearly 85 percent of the producers on the market, proposed a separate classification and lower pricing for milk disposed of in the manufacture of Cheddar cheese for the period through the flush production months of 1962, at the level herein recommended. In support of their proposal producers pointed out that the association handles the bulk of the market's reserve supply. Because of unusually favorable weather conditions the level of production is running substantially above normal and the association's two manufacturing plants have insufficient capacity to handle the existing surplus. Accordingly, it has been forced to move very substantial quantities of milk to Cheddar cheese manufacturing plants at prices well below the existing Class II price. Because of this situation the association is currently incurring a loss of 22 cents per hundredweight, exclusive of additional handling and hauling, on all milk sold to such cheese plants. Proponents further pointed out that production conditions throughout the Southwest have been extremely favorable and accordingly they foresee no probability of any significant increase in the prices which the local cheese plants will pay during the fall and winter months ahead.

Proponents indicated that they are preparing to increase the capacity of their manufacturing plants but foresee no likelihood that additional facilities can be put into operation before the flush production months of 1962. However, when additional facilities have been

installed they anticipate no need for reliance on local cheese plants as surplus outlets and hence no need for continuation of the lower pricing requested.

Production has been running at a very high level in the market in relation to Class I uses over an extended period of time. However, until July the association was able to move milk to Cheddar cheese plants without undue cost at the regular Class II price. During the months of April through June this situation was implemented by the fact that the Class II price under the order was 14 cents below the level established in other months of the year. The seasonal price increase which occurred in July, together with the increase in support levels for nonfat dry milk and Cheddar cheese effective July 18, significantly increased the Class II price for July. It must be presumed that during the forthcoming fall and winter months the Class II price under the order will adjust from the July price in a normal seasonal pattern. While it cannot be predicted with any precision what prices the local cheese plants will, in fact, pay during the months ahead, nevertheless, under the existing surplus milk situation it is unlikely that their pay prices will increase significantly in relation to the order Class II price.

The record does not reveal the extent of additional handling and hauling costs which the cooperative incurs in moving milk to available cheese plants. Nevertheless, it is apparent that the 22 cents difference between the order Class II price for July and the \$3.30 price which cheese plants paid the cooperative in July is a conservative estimate of the costs incurred by the cooperative in disposing of milk for Cheddar cheese.

It is the purpose of the marketwide pool that all the dairy farmers holding producer status under the order shall share equitably in the proceeds from the sale of milk for Class I uses as well as in carrying the burden of the market's reserve supply. Unless a lower pricing is provided for milk disposed of for Cheddar cheese the producers who are members of the cooperative association handling the bulk of the market's reserve supply will bear a disproportionate cost in the marketing of this reserve. The pricing herein recommended will substantially alleviate the association of the disproportionate costs which its members are bearing in handling the market's surplus milk.

It would be inappropriate to encourage the disposition of producer milk into Cheddar cheese channels if such disposition does not return prices as favorable as other manufactured milk products. The cooperative association has assumed the responsibility for handling the market's reserve supply. The best interest of its producer members and of the market as a whole can be served only if the cooperative establishes or seeks outlets for that milk in excess of the market's fluid requirements which will return the full use value of the milk. It is apparent from the testimony offered at the hearing that this is the cooperative's long run program. However, the rapidity and extent with which the present surplus situation has developed

has not permitted development of adequate manufacturing facilities locally. Confronted with limited processing facilities and an unusually large milk production, the cooperative has been forced to market that milk in excess of its manufacturing plant capacities in the only available alternative outlets—Cheddar cheese plants at Bonham, Texas, Sulphur, Oklahoma and Stephenville, Texas. Because of the plentiful supply situation and limited available manufacturing facilities these plants have depressed their pay prices and the cooperative has no immediate alternative but to market a substantial portion of the market's surplus at these depressed prices. In recognition of this situation and to provide reasonable time in which to develop alternative outlets it is necessary that the action herein recommended be taken.

While the cooperative requested that the temporary lower pricing be provided at least through June 1962, it is not apparent that it will incur undue cost in the handling of surplus milk under the lower Class II pricing provided by the order for the months of April through June. Accordingly, it is concluded that the lower pricing requested should be made effective only for the months through March 1962.

In view of the temporary nature of the proposed action it is unnecessary to make all of the changes in the classification, pricing and allocation provisions requested. The effect of proponent's proposal may be accomplished by providing in the pricing provisions for an adjustment credit which would apply on that milk which it is established, was utilized in the production of Cheddar cheese. The amount of the adjustment on each hundredweight of milk so utilized would be the difference between the announced Class II price and a value computed by multiplying by 9 the price of Cheddars reported at Wisconsin Primary markets. The sum of the credits so computed for each handler would then be deducted in computing such handler's pool obligation pursuant to § 943.70. The order language hereinafter set forth so provides.

One proprietary handler opposed the lower pricing herein recommended contending that it would reduce returns to nonmember producers and increase returns to member producers through increased equities in the association. As indicated earlier, it is the intent of the marketwide pool that all producers shall share equally in the returns from total market sales of fluid milk as well as in the burden of carrying the market's reserve supply. Under the existing situation the burden of handling the market's surplus or reserve supply has fallen on the proponent cooperative association whose membership includes nearly 85 percent of the producers on the local market. The action herein recommended will assure more equitable sharing of this burden among all producers for a limited period when cheese plants paying depressed prices are the only alternative outlets for much of the market's surplus.

A proponent for individual-handler pooling at the hearing held in Dallas,

Texas, on April 24-26 and August 29, 1961, requested that any decision in the matter of a temporary lower pricing for milk used in Cheddar cheese be delayed until a decision is rendered in the matter of individual-handler pooling and if a favorable decision in that matter is not made that the lower pricing be denied.

All of the arguments set forth in the exception were considered in reaching the initial decision in this matter. For reasons previously stated, it is essential that a price adjustment for milk used in Cheddar cheese be made for the period through March 1962. Accordingly, the exception is denied.

While no exceptions were filed to the procedure recommended for implementing the lower pricing for milk used in Cheddar cheese, the proposed order language has been revised to clarify that it was not the intent that the amendment of this order should determine the classification of milk moving from another order to a nonpool plant which also received milk from a regulated plant under this order. Under the revised language the pricing of producer milk moving to a nonpool plant for use in Cheddar cheese would be exactly the same as would have resulted from the language set forth in the recommended decision.

Rulings on proposed findings and conclusions. A brief with proposed findings and conclusions was filed on behalf of certain interested parties. This brief and proposed findings and conclusions was carefully considered along with the evidence in the record in making the findings and conclusions set forth above. To the extent that the proposed findings and conclusions are inconsistent with the findings and conclusions set forth herein, the request to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Rulings on exception. In arriving at the findings and conclusions, and the regulatory provisions of this decision, the exception received was careful and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with the exception, such exception is hereby overruled for the reasons previously stated in this decision.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the North Texas Marketing Area", and "Order Amending the Order Regulating the Handling of Milk in the North Texas Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered. That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

Determination of representative period. The month of August 1961 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the attached order amending the order regulating the handling of milk in the North Texas marketing area, is approved or favored by producers, as defined under the terms of the order as hereby proposed to be amended, and who, during such representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

Signed at Washington, D.C., on October 16, 1961.

CHARLES S. MURPHY,
Acting Secretary.

Order¹ Amending the Order Regulating the Handling of Milk in the North Texas Marketing Area

§ 943.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are

hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the North Texas marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

Order relative to handling. It is therefore ordered, That on and after the effective date hereof the handling of milk in the North Texas marketing area shall be in conformity to and in compliance with the terms and conditions of the order, as hereby amended:

1. Add a new § 943.55 immediately following § 943.54 to read as follows:

§ 943.55 Cheddar cheese credit.

On and after the effective date hereof through March 1962, any milk used to produce Cheddar cheese or transferred in the form of milk from a pool plant to a nonpool plant and there used to produce Cheddar cheese shall be assigned to such use by the market administrator and shall be subject to a credit computed as follows: Multiply the rate by which the per hundredweight Class II price for milk containing 4.0 percent butterfat exceeds the amount (rounded to the nearest tenth of a cent) obtained by multiplying by 9.0 the average of the daily prices paid per pound of cheese at Wisconsin Primary markets ("Cheddars" f.o.b. Wisconsin assembling points, cars or truckloads) as reported by the Department during the month, by the hundredweight of Class II milk not in excess of the combined volume of skim milk and butterfat remaining after the computation specified in § 943.46 (a) (8) and the corresponding step of § 943.46(b) less any overage deducted

pursuant to § 943.46(a) (11) and the corresponding step of § 943.46(b), which was either used to produce Cheddar cheese or transferred in the form of milk from a pool plant to a nonpool plant and there used to produce Cheddar cheese: *Provided*, That in the event the plant at which Cheddar cheese was produced also received milk to be classified and priced under some other Federal order(s) on the basis of its specific use in Cheddar cheese and the volume of milk so used in such plant was less than the combined volume of milk to be so classified and priced under this and such other order(s), then the hundredweight of milk to which this paragraph is applicable shall be a pro rata share of such usage determined by computing the percentage that the volume of milk for which Cheddar cheese use is claimed under this order is of the total volume of Federal order milk for which such use is claimed and applying that percentage to the volume of milk so used in such plant.

§ 943.70 [Amendment]

2. Add a new paragraph (f) at the end of § 943.70 to read as follows:

(f) Deduct the amount of any credits computed for such handler pursuant to § 943.55.

[F.R. Doc. 61-10021; Filed, Oct. 19, 1961; 8:48 a.m.]

[7 CFR Part 966]

[Docket No. AO 257-A7]

MILK IN NORTHERN LOUISIANA MARKETING AREA

Notice of Hearing on Proposed Amendments to Tentative Marketing Agreement and Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of a public hearing to be held at the Shreveporter Highway Hotel, 3880 Greenwood Road, Shreveport, Louisiana, beginning at 10:00 a.m., local time, on October 30, 1961, with respect to proposed amendments to the tentative marketing agreement and to the order, regulating the handling of milk in the Northern Louisiana marketing area.

The public hearing is for the purpose of receiving evidence with respect to the economic and marketing conditions which relate to the proposed amendments, hereinafter set forth, and any appropriate modification thereof, to the tentative marketing agreement and to the order.

The proposed amendments, set forth below, have not received the approval of the Secretary of Agriculture.

Proposed by the North Louisiana Pure Milk Producer's Association, Inc.

Proposal No. 1. Delete §§ 966.7, 966.8, 966.9, 966.10, 966.11, 966.12, 966.13, 966.13a, 966.13b, 966.14, 966.15, 966.16,

¹ This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

966.19, and 966.20 and renumber §§ 966.17, 966.18, and 966.21 as 966.18, 966.19, and 966.22, respectively

Proposal No. 2. Add the following sections:

§ 966.7 Fluid milk product.

"Fluid milk product" means all skim milk (including reconstituted skim milk) and butterfat in the form of milk (including concentrated fluid milk) skim milk, buttermilk, flavored milk and drinks, cream, cultured sour cream, and any mixture of cream and milk except that classified pursuant to § 966.41(b) (2), (4), and (5).

§ 966.8 Route.

"Route" means a delivery (including delivery by a vendor or sale from a plant or plant store) of any fluid milk product, other than a delivery to a milk processing plant.

§ 966.9 Distributing plant.

"Distributing plant" means any plant at which fluid milk products eligible for distribution in the marketing area under a Grade A label are processed and packaged and from which fluid milk products are disposed of on routes in the marketing area.

§ 966.10 Supply plant.

"Supply plant" means any plant at which milk eligible for distribution in the marketing area under a Grade A label is received from dairy farmers and from which fluid milk products are moved to a distributing plant during the month.

§ 966.11 Pool plant.

"Pool plant" means:

(a) A distributing plant, other than that of a producer handler or one described in § 966.61, from which during the month a volume of Class I milk of more than 3,000 pounds per day or not less than 10 percent of the total Grade A milk and skim milk received from producers and other plants is disposed of during the month on routes in the marketing area.

(b) A supply plant:

(1) From which during the month not less than 60 percent of its total receipts of Grade A milk is shipped to a plant(s) described in paragraph (a) of this section, provided that any plant which has shipped to a distributing plant(s) the 60 percent requirement during each of the months of September through January shall be designated as a pool plant during each of the following months of February through August, unless written request for nonpool plant status is furnished to the market administrator prior to the beginning of the month for which nonpool status is requested; or

(2) Which is operated by a cooperative association located in the marketing area whose members, ship more Grade A milk to other pool plants during the current month or during the preceding twelve-month period, than is received from dairy farmers at such association plant during the corresponding period(s).

§ 966.12 Nonpool plant.

"Nonpool plant" means any milk manufacturing, processing or packaging plant other than a pool plant.

§ 966.13 Producer-handler.

"Producer-handler" means any person who produces milk and operates a distributing plant at which no fluid milk products are received except his own production or transfers from a pool plant(s).

§ 966.14 Handler.

"Handler" means:

(a) Any person in his capacity as the operator of a pool plant(s);

(b) Any person in his capacity as the operator of a nonpool distributing plant(s);

(c) A cooperative association with respect to the milk of any producer-member which it causes to be diverted to a nonpool plant for the account of such cooperative association; and

(d) A cooperative association with respect to the milk of any producer-member for which it causes to be delivered to a pool plant in a tank truck owned and operated by or under contract to such cooperative association for the account of such cooperative association; if such cooperative notifies, in writing, the market administrator and the handler to whom the milk is delivered that it wishes to become the handler for such milk. The cooperative association shall be the handler for such milk effective the first day of the month during which such notice is received.

§ 966.15 Producer.

"Producer" means any person, other than a producer-handler, who produces milk in compliance with Grade A inspection requirements for milk for fluid consumption, which milk is:

(a) Produced under a Grade A dairy farm permit or rating issued by a duly constituted health authority having jurisdiction within the marketing area and is;

(b) Received at a pool plant;

(c) Diverted from a pool plant to another pool plant or to a nonpool plant for the account of the operator, of the pool plant or to a nonpool plant for the account of a cooperative association: *Provided*, That milk diverted for the account of the operator of a pool plant shall be deemed to have been received at the pool plant from which diverted and milk diverted for the account of a cooperative association shall be deemed to have been received by the association at the location of the plant from which diverted.

(d) Received by a cooperative association at the farm pursuant to § 966.14(d): *Provided*, That milk so received shall be deemed to have been received by the cooperative association at the pool plant to which it was delivered, except that such milk shall be considered as a receipt of producer milk by the operator of such pool plant for the purposes of § 966.94: *Provided further*, That this definition shall not include any person with respect to milk produced by him which is subject to the pricing and pay-

ment provisions of another Federal milk marketing order issued pursuant to the Act.

§ 966.16 Producer milk.

"Producer milk" means all skim milk and butterfat in milk received at a pool plant pursuant to § 966.15(a) directly from dairy farmers described in § 966.15 or is diverted pursuant to § 966.15 (c) or (d).

§ 966.17 Other source milk.

"Other source milk" means all skim milk and butterfat contained in:

(a) Receipts during the month of fluid milk products, except fluid milk products received from: (1) Other pool plants, (2) producers, and (3) from cooperative associations which are handlers pursuant to § 966.14(d).

(b) Products designated as Class II milk pursuant to § 966.41(b) (1) and (5) from any source (including those produced at the plant) which are reprocessed or converted to another product during the month or for which other utilization or disposition is not established.

§ 966.20 Base milk.

"Base milk" means producer milk received at a pool plant which milk is not in excess of bases computed pursuant to § 966.80.

§ 966.21 Excess milk.

"Excess milk" means producer milk received at a pool plant which milk is in excess of the base milk received during the month and shall include all milk received from producers for whom no daily average base can be computed pursuant to § 966.80.

Proposal No. 3. In § 966.27(h), change the reference "§ 966.95" to "§ 966.97".

Proposal No. 4. Delete § 966.27(k) and substitute therefor the following:

(k) On or before the 10th day after the end of each month, the market administrator shall mail to each handler, who submitted the report(s) prescribed in § 966.30, at his last known address, a statement showing any of the applicable following values:

(1) The amount and value of his producer milk in each class and the totals thereof;

(2) For the months of February through July the amounts and value of his base and excess milk, respectively;

(3) The uniform price(s) computed pursuant to §§ 966.72 and 966.73 and the butterfat differential computed pursuant to § 966.91 and;

(4) The amounts to be paid by such handler pursuant to §§ 966.62, 966.93, 966.94, and 966.97; and the amount due such handler pursuant to § 966.98.

Proposal No. 5. Delete § 966.30 and substitute therefor the following:

§ 966.30 Reports of receipts and utilization.

By mailing on or before the 5th day after the end of each month or by delivery not later than the 7th day after the end of each month each handler, other than a producer-handler, who is the

operator of a distributing plant or a supply plant which is a pool plant, for each of his plants, and each cooperative association which is a handler pursuant to § 966.14 (c) or (d) shall report to the market administrator in the detail and on forms prescribed by the market administrator as follows:

(a) The quantities of skim milk and butterfat contained in milk received from each producer and, for the months of the base-operating period, the quantities of base and excess milk;

(b) The quantities of skim milk and butterfat contained in fluid milk products received from pool plants of other handlers and from cooperative associations which are handlers pursuant to § 966.14(d);

(c) The quantities of skim milk and butterfat in other source milk;

(d) The quantities of skim milk and butterfat contained in inventories of fluid milk products on hand at the beginning and end of the month;

(e) Utilization of all skim milk and butterfat required to be reported pursuant to this section including a statement of the disposition of fluid milk products outside the marketing area; and

(f) Such other information with respect to receipts and utilization as the market administrator may prescribe.

Proposal No. 6. Delete the portion of § 966.31 which precedes paragraph (a) and substitute therefor the following:

§ 966.31 Payroll reports.

On or before the 20th day of each month each handler, other than a producer-handler, who is the operator of a pool plant, the operator of a nonpool distributing plant pursuant to § 966.62 (b), for each of his plants, and each cooperative association, with respect to milk for which it is the handler pursuant to § 966.14 (c) or (d), shall submit to the market administrator his producer payroll for deliveries of milk for the preceding month which shall show:

Proposal No. 7. In § 966.32(a), delete the phrase, "And each handler operating a nonfluid milk plant."

Proposal No. 8. In § 966.32(b), delete the term, "nonfluid milk" and substitute therefor, "Nonpool".

Proposal No. 9. Delete § 966.32(c).

Proposal No. 10. In § 966.40, delete the phrase, "at fluid milk plants".

Proposal No. 11. Delete § 966.41(a) and substitute therefor the following:

(a) *Class I milk.* Class I milk shall be all skim milk and butterfat:

(1) Disposed of in the form of a fluid milk product;

(2) Contained in inventory of fluid milk products on hand at the end of the month; and

(3) Not specifically accounted for as Class II milk.

Proposal No. 12. Delete § 966.41(b) (3) and (4) renumber (5) and (6) as (4) and (5) and add the following § 966.41(b) (3):

(3) In shrinkage, but in an amount not to exceed one-half of one percent of the total pounds of skim milk and butterfat, respectively, received directly from

producers, plus one and one-half percent of the total pounds of skim milk and butterfat, respectively, received from all sources in the form of bulk fluid milk products, less one and one-half percent of the total pounds of skim milk and butterfat, respectively, transferred or diverted in the form of bulk fluid milk products to pool plants of other handlers.

Proposal No. 13. Delete § 966.42 and substitute therefor the following:

§ 966.42 Assignment of shrinkage.

The market administrator shall assign, pro rata, the shrinkage computed pursuant to § 966.41(b) (3) to receipts of skim milk and butterfat, respectively, in:

(a) Producer milk, milk received from other pool plants and from cooperative associations which are handlers pursuant to § 966.14(d), and

(b) Other source milk.

Proposal No. 14. Delete § 966.44 and substitute therefor the following:

§ 966.44 Transfers.

Skim milk or butterfat disposed of each month from a pool plant or by a cooperative which is a handler pursuant to § 966.14 (c) or (d) shall be classified as follows:

(a) As Class I milk if transferred or diverted in the form of a fluid milk product to the pool plant of another handler, unless utilization as Class II milk is claimed by both handlers in their reports submitted for the month to the market administrator pursuant to § 966.30: *Provided*, That if either or both handlers have other source milk during the month the skim milk or butterfat so transferred shall be classified so as to allocate the greatest possible Class I utilization to the producer milk of both handlers;

(b) As Class I milk if transferred to a producer-handler in the form of a fluid milk product; and

(c) As Class I milk if transferred or diverted in the form of milk, skim milk or cream in bulk to a nonpool plant, unless the following conditions are met:

(1) The transferring handler claims Class II utilization in a product specified in § 966.41(b) (1);

(2) The operator of such nonpool plant maintains adequate books and records showing the receipts and utilization of all skim milk and butterfat at such plant, which are made available if requested by the market administrator for the purpose of verification; and

(3) The Class I milk, as defined pursuant to § 966.41(a) (1) in such nonfluid milk plant does not exceed the receipts of Grade A skim milk and butterfat in milk received during the month from dairy farmers, who the market administrator determines constitute the regular source of supply for such plant: *Provided*, That any Class I milk in excess of receipts from such dairy farmers shall be assigned to milk, skim milk or cream so transferred or diverted.

Proposal No. 15. Delete that portion of § 966.45 preceding the proviso in this section and substitute therefor the following:

For each month, the market administrator shall correct for mathematical and for other obvious errors the reports of receipts and utilization of each handler submitted pursuant to § 966.30 and shall compute the pounds of skim milk and butterfat in Class I milk and Class II milk for such handler:

Proposal No. 16. Delete that portion of § 966.46 which precedes § 966.46(b) and substitute therefor the following:

§ 966.46 Allocation of skim milk and butterfat classified.

After making the computations pursuant to § 966.45 the market administrator shall determine the classification of producer milk of each handler each month as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II milk the pounds of skim milk assigned pursuant to § 966.42(a);

(2) Subtract from the remaining pounds of skim milk in each class, in series beginning with Class II milk, the pounds of skim milk received as other source milk other than in the form of fluid milk products;

(3) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class II milk, the pounds of skim milk in other source milk received in the form of fluid milk products, except that to be subtracted pursuant to subparagraph (4) of this paragraph;

(4) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class II milk, the pounds of skim milk received from plants subject to the Class I pricing and payment provisions of another order issued pursuant to the Act;

(5) Subtract from the remaining pounds of skim milk in Class I milk, the pounds of skim milk in inventory of fluid milk products on hand at the beginning of the month;

(6) Subtract from the pounds of skim milk remaining in each class the pounds of skim milk received from pool plants of other handlers and from cooperative associations which are handlers pursuant to § 966.14(d) in such class pursuant to §§ 966.41 and 966.44(a).

(7) Add to the remaining pounds of skim milk in Class II the pounds subtracted pursuant to subparagraph (1) of this paragraph; and

(8) If the remaining pounds of skim milk in all classes exceeds the pounds of skim milk received from producers, subtract such excess from the remaining pounds of skim milk in each class in series beginning with Class II. Any amount so subtracted shall be known as overage.

Proposal No. 17. In § 966.51 and § 966.53 replace the term "fluid milk plant" with the term "pool plant".

Proposal No. 18. Add the following new section immediately after § 966.54:

§ 966.55 Rates of payment on other source milk.

The following rates of payment on other source milk to be applied pursuant to § 966.70 (c) and (d) shall be effective

only in the months when the total receipts of producer milk are more than 110 percent of the total amount from all sources classified as Class I (excluding duplication) at all pool plants:

(a) On other source milk received other than in the form of fluid milk products subtract the Class II price adjusted by the Class II butterfat differential from the Class I price adjusted by the Class I butterfat differential; and

(b) On other source milk received in the form of fluid milk products, subtract the Class II price adjusted by the Class II butterfat differential from the Class I price adjusted by the Class I butterfat differential, and adjust such difference at the same rate of location differential as set forth in § 966.53 for the location of the nearest nonpool plant(s) supplying such other source milk.

Proposal No. 19. Delete § 966.60 and substitute therefor the following:

§ 966.60 Producer-handler.

Sections 966.40 to 966.46, 966.50 to 966.55, 966.70 to 966.73, 966.80 to 966.83, and 966.90 to 966.98, inclusive, shall not apply to producer-handlers.

Proposal No. 20. Delete § 966.61 and substitute therefor the following:

§ 966.61 Plants subject to other Federal orders.

The provisions of this part shall not apply to a plant specified in paragraph (a) or (b) of this section except as follows: The operator of such plant shall with respect to the total receipts and utilization or disposition of skim milk and butterfat at the plant, make reports to the market administrator at such time and in such manner as the market administrator may require in lieu of reports required pursuant to § 966.30 and allow verification of such reports by the market administrator.

(a) Any distributing plant which would be subject to the classification and pricing provisions of another order issued pursuant to the Act unless a greater volume of fluid milk products is disposed of on routes during the month from such plant in the Northern Louisiana marketing area than in the marketing area defined pursuant to such other order; and

(b) During the months of February through August, a supply plant which would be subject to the classification and pricing provisions of another order issued pursuant to the Act unless such plant qualified as a pool plant during each of the immediately preceding months of September through January.

Proposal No. 21. Add § 966.62 as follows:

§ 966.62 Obligations of a handler operating a nonpool distributing plant.

Each handler, other than a producer-handler or a handler exempt pursuant to § 966.61(a), who operates a distributing plant which is a nonpool plant shall pay to the market administrator for deposit in the producer-settlement fund and administrative fund, as the case may be, as follows:

(a) If such handler so elects in writing at the time of reporting pursuant to

§ 966.30, the amounts computed as follows:

(1) On or before the 12th day after the end of the month, for the producer-settlement fund, an amount equal to the value of the Class I milk disposed of during the month on routes in the marketing area at the difference between the applicable Class I price and the applicable Class II price for the month; and

(2) On or before the 15th day after the end of the month, as his pro rata share of expense of administration, the rate specified in § 966.94 with respect to Class I milk disposed of on routes in the marketing area; and

(b) Except as the handler's obligation may be computed pursuant to paragraph (a) of this section, he shall pay the amounts as follows:

(1) On or before the 25th day after the end of the month, for the producer-settlement fund, any plus amount resulting from the following computation:

(i) Determine the value for milk received directly from dairy farmers at such plant pursuant to § 966.70, as if such plant had been a pool plant; and

(ii) Deduct the net payments made by the handler to dairy farmers for milk received at such plant during the month, plus proper deductions authorized in writing by such dairy farmers.

(2) On or before the 15th day after the end of the month for the administrative fund, an amount equal to that which would have been computed pursuant to § 966.94 had such plant been a pool plant.

Proposal No. 22. Delete § 966.70 and substitute therefor the following:

§ 966.70 Net obligation to handlers.

The net obligation of each handler for producer milk received at his pool plant(s) or for producer milk for which a cooperative association is the handler pursuant to § 966.14 (c) or (d) each month shall be a sum of money computed by the market administrator as follows:

(a) Multiply the pounds of such milk in each class by the applicable class price and add together the resulting amounts;

(b) Add an amount computed by multiplying the pounds of overage deducted from each class pursuant to § 966.46(a) (8) and the corresponding step of paragraph (b) of § 966.46 by the applicable class price;

(c) Add an amount computed by multiplying the hundredweight of skim milk and butterfat subtracted from Class I pursuant to § 966.46(a) (2) and the corresponding step of § 966.46(b) by the rate of payment pursuant to § 966.55(a);

(d) Add an amount computed by multiplying the hundredweight of skim milk and butterfat subtracted from Class I pursuant to § 966.46(a) (3) and the corresponding step of § 966.46(b) by the rate of payment pursuant to § 966.55(b);

(e) Add or subtract, as the case may be, an amount necessary to correct errors discovered by the market administrator in the verification of reports of such handler of his receipts and utilization of skim milk and butterfat for previous months.

Proposal No. 23. Delete § 966.71 and substitute therefor the following:

§ 966.71 Computation of aggregate value used to determine uniform prices.

For each month, the market administrator shall compute an aggregate value from which to determine the uniform price(s) per hundredweight for producer milk of 4.0 percent butterfat content as follows:

(a) Combine into one total the values computed pursuant to § 966.70 for the producer milk of all handlers who submit reports prescribed in § 966.30 and who have made payments for the previous month pursuant to §§ 966.90 and 966.97;

(b) Add or subtract for each one-tenth of 1 percent that the average butterfat content of producer milk included in paragraph (a) of this section is less or more, respectively, than 4.0 percent, an amount computed by multiplying such difference by the butterfat differential to producers determined pursuant to § 966.91 and multiplying the result by the total hundredweight of producer milk;

(c) Add an amount equal to the total deductions to be made pursuant to § 966.92; and

(d) Add an amount equal to one-half of the unobligated balance on hand in the producer-settlement fund.

Proposal No. 24. Delete § 966.72 and substitute therefor the following:

§ 966.72 Computation of uniform price.

For each month not in the base operating period, the market administrator shall compute the uniform price per hundredweight for milk containing 4.0 percent butterfat content, before adjustment for location, received from producers at pool plants, as follows:

(a) Divide the amount computed pursuant to § 966.71 by the hundredweight of producer milk included in § 966.71(a); and

(b) Subtract not less than 4 cents nor more than 5 cents.

Proposal No. 25. Delete § 966.73 and substitute therefor the following:

§ 966.73 Computation of uniform prices for base milk and for excess milk.

For each of the months in the base operating period, the market administrator shall compute the uniform prices per hundredweight for base milk and for excess milk containing 4.0 percent butterfat content, before adjustment for location, received from producers at pool plants, as follows:

(a) Multiply the hundredweight of excess milk included in these computations, not in excess of Class II milk represented in § 966.71(a), by the Class II price for milk of 4.0 percent butterfat content determined pursuant to § 966.51(b);

(b) Multiply the hundredweight of any excess milk not included in paragraph (a) of this section by the Class I price for milk of 4.0 percent butterfat content determined pursuant to § 966.51(a); and

(c) Combine into one total the values computed pursuant to paragraphs (a) and (b) of this section, divide by the hundredweight of excess milk and round to the nearest cent. The resulting figure shall be the uniform price for excess

milk of 4.0 percent butterfat content, before location adjustment, received from producers at pool plants;

(d) Multiply the total pounds of excess milk by the uniform price for excess milk of 4.0 percent butterfat content determined pursuant to paragraph (e) of this section;

(e) Subtract the value determined pursuant to paragraph (d) of this section from the aggregate value determined pursuant to § 966.71;

(f) Divide the amount obtained in paragraph (e) of this section by the total hundredweight of base milk; and

(g) Subtract not less than 4 cents nor more than 5 cents. The resulting figure shall be the uniform price for base milk of 4.0 percent butterfat content, before location adjustment, received from producers at pool plants.

Proposal No. 26. In § 966.80, delete, "by the handler(s)" and substitute therefor "at a pool plant(s)".

Proposal No. 27. In § 966.81, delete "by such handler" and substitute therefor "at a pool plant(s)".

Proposal No. 28. Delete that portion of § 966.82 which precedes § 966.82(b) and substitute therefore the following:

§ 966.82 Base rules.

The following rules shall apply for the establishment and transfer of bases:

(a) A base shall be assigned to each producer for whose account producer milk is received at a pool plant during the base-forming period and to each person for whose account milk was delivered to a plant that did not qualify as a pool plant during each month of the base-forming period but which qualifies as a pool plant during any of the immediately following months of February through July, bases shall be assigned on deliveries at such plant in the same manner as if such plant was a pool plant during each month of the base-forming period; and

Proposal No. 29. Throughout § 966.82 (b) (1), substitute, "pool plants" for "handlers".

Proposal No. 30. In the text of § 966.90 which precedes paragraph (a) add the word "producer" immediately after the word "for".

Proposal No. 31. In § 966.90(d), substitute "13th" for "11th" and insert "the market administrator determines" immediately after the word "milk" and before the word "such".

Proposal No. 32. Delete § 966.90(f) and substitute therefor the following:

(f) On or before the 13th day after the end of the month, each handler shall pay to each cooperative association which is also a handler for milk received from it at not less than the value of such milk, as classified pursuant to § 966.44 (a), at the applicable respective class prices, and, for milk received from a pool plant operated by a cooperative association, an amount equal to the amount applicable to the cooperative association for such milk pursuant to § 966.94.

Proposal No. 33. In § 966.91 insert "for all handlers" immediately after the reference "§ 966.46(b)".

Proposal No. 34. In § 966.92, delete "and associated producer", "or assigned to", and "fluid milk" and insert immediately after "a" but before the word "plant" which immediately follows "a", "pool plant".

Proposal No. 35. Delete § 966.94 (a), (b), (c) and (d) and substitute therefor, respectively, the following:

(a) Producer milk including such handler's own production;

(b) Other source milk which is allocated to Class I milk pursuant to § 966.46 (a) (2) and (3) and (b) (2) and (3); and

(c) Milk received from cooperative associations for which the association is the handler pursuant to § 966.14(d); and

(d) Applicable amounts specified in § 966.62.

Proposal No. 36. Renumber § 966.96 as § 966.99 and add the new §§ 966.96, 966.97, and 966.98 as follows:

§ 966.96 Producer-settlement fund.

The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to § 966.62 (a) (1) and (b) (1), and § 966.97 and out of which he shall make payments to handlers pursuant to § 966.98.

§ 966.97 Payments to the producer-settlement fund.

On or before the 12th day after the end of each month, each handler shall pay to the market administrator for payment to producers through the producer-settlement fund, the amount by which the net pool obligation of such handler is greater than the sum required to be paid producers by such handler pursuant to § 966.90.

§ 966.98 Payments out of the producer-settlement fund.

(a) On or before the 13th day after the end of each month, the market administrator shall pay to each handler for payment to producers the amount by which the sum required to be paid producers by such handler pursuant to § 966.90 is greater than the net pool obligation of such handler.

(b) If the balance in the producer-settlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available, and

(c) Any amount due a handler pursuant to this section may be reduced by the amount of any unpaid balances due the market administrator from such handler, pursuant to §§ 966.93, 966.94 or § 966.97.

Proposed by National Cheese Company, Chicago, Illinois:

Proposal No. 37. That, sour cream manufactured from milk subject to the price and pooling of Chicago, Illinois, Market Order No. 41, be allocated to Class I at pool plants where such sour cream is received, handled, and dis-

tributed in the same consumer or institutional size packages in which it is received.

Proposed by Milk Marketing Orders Division, Agricultural Stabilization and Conservation Service:

Proposal No. 38. Make such changes as may be necessary to make the entire marketing agreement and the order conform with any amendments thereto that may result from this hearing.

Copies of this notice of hearing and the order may be procured from the Market Administrator, 106 East Kings-highway, Shreveport, Louisiana, or from the Hearing Clerk, Room 112, Administration Building, United States Department of Agriculture, Washington 25, D.C., or may be there inspected.

Signed at Washington, D.C., on October 16, 1961.

ROBERT G. LEWIS,
Deputy Administrator, Price
and Production, Agricultural
Stabilization and Conserva-
tion Service.

[F.R. Doc. 61-10020; Filed, Oct. 19, 1961;
8:48 a.m.]

[7 CFR Part 994]

[Docket No. AO-300-A3]

**MILK IN COLORADO SPRINGS-
PUEBLO MARKETING AREA**

**Notice of Recommended Decision and
Opportunity To File Written Exceptions
on Proposed Amendments
to Tentative Marketing Agreement
and Order**

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended decision of the Assistant Secretary, United States Department of Agriculture, with respect to proposed amendments to the tentative marketing agreement, and order regulating the handling of milk in the Colorado Springs-Pueblo marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D.C., not later than the close of business the third day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate.

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order, were formulated, was conducted at Colorado Springs, Colorado on October 5, 1961, pursuant to notices thereof which were issued on September 25 and 27, 1961 (26 F.R. 9173 and 9238).

The material issues on the record of the hearing relate to:

1. Classification and pricing;
2. Allocation of packaged milk received from plants regulated by another Federal order;

3. Diversions of producer milk between pool plants; and

4. Miscellaneous administrative and conforming changes.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. The classification and pricing provisions of the Colorado Springs-Pueblo order should be amended to conform with similar provisions of the Eastern Colorado order. Proposals to accomplish this were submitted by both producers and handlers.

Substantial differences exist in the classification and pricing under the Colorado Springs-Pueblo order and the Eastern Colorado order, which order becomes fully effective on November 1, 1961. The Class I price under the Eastern Colorado order has been set at a level which is 10 cents per hundredweight less than the Class I price now contained in the Colorado Springs-Pueblo order. There is also a small difference in the level of the Class II prices.

Certain products now classified and priced as Class I under the Colorado Springs-Pueblo order are included in Class II under the Eastern Colorado order. These include the skim equivalent of nonfat solids used in fortified products, cultured mixtures marketed as cheese dips, party dips, etc., and fluid milk products disposed of to commercial food manufacturers.

The marketing area for the Eastern Colorado order is contiguous to the Colorado Springs-Pueblo marketing area. It is about 70 miles from Denver, Colorado, the principal city in the Eastern Colorado marketing area to Colorado Springs, Colorado, the principal city in the Colorado Springs-Pueblo marketing area.

The sales territories of handlers to be fully regulated by the Eastern Colorado order overlap considerably with those of Colorado Springs handlers. Eastern Colorado handlers distribute substantial amounts of fluid milk products in the Colorado Springs-Pueblo marketing area. Colorado Springs-Pueblo handlers have considerable sales in the Eastern Colorado market. Much of the territory in between the city of Denver and the city of Colorado Springs forms a common sales area for handlers regulated by both of these orders.

One regulated plant's Class I disposition in the Eastern Colorado marketing area is only slightly less than its Class I disposition in the Colorado Springs-Pueblo marketing area. This plant operator testified that a very slight change in his marketing practices could result in his Colorado Springs-Pueblo plant being regulated by the Eastern Colorado order. He pointed out that the differences which now exist between the two orders could result in serious inequities if his plant remained regulated under the Colorado Springs-Pueblo order.

A handler with a plant under each of the Colorado Springs-Pueblo and Eastern Colorado orders stated that an important consideration in determining which plant would supply his Colorado

Spring-Pueblo outlets would be the cost at which the various products disposed of could be obtained. This handler's Eastern Colorado order plant is already a source of certain fluid milk products which are not processed in his Colorado Springs-Pueblo plant.

One other handler operates plants under both of the orders. Although this handler did not testify concerning his operations under the two orders, it is not unreasonable to expect that the same considerations as to source of supply would be applicable to him.

Although the most important source of competition among handlers is in the sales of products under the two orders, there is also some overlapping of producers between the two markets. This overlapping exists primarily in an area northeast of Colorado Springs.

Failure to promptly amend the classification and pricing provisions of the Colorado Springs-Pueblo order to conform with such provisions of the Eastern Colorado order will result in serious marketing problems in the Colorado Springs-Pueblo market. With substantial differences in the classification and pricing provisions existing under the two orders, it would be impossible for Colorado Springs-Pueblo handlers to compete effectively with Eastern Colorado order handlers in their regular sales areas between Denver and Colorado Springs. Furthermore, the evidence clearly shows that many regulated handlers can readily substitute milk classified and priced under the Eastern Colorado order for the milk of local producers. Loss of substantial outlets to plants regulated by the Eastern Colorado order would result in serious hardships to those producers who have assumed the responsibility of supplying the Colorado Springs-Pueblo market.

a. Classification of milk. Class I should include all skim milk and butterfat disposed of in fluid form as milk, skim milk, buttermilk, flavored milk, flavored milk drinks, concentrated milk, reconstituted milk or skim milk, fortified milk or skim milk (including "diet foods"), cream (sweet or sour) and half and half. It should also include any mixture of milk of skim milk and cream except ice cream mix, aerated cream, eggnog, and cultured mixtures marketed as "dip specialty products". It should not include the products named when sterilized or packaged in hermetically sealed containers.

As presently provided, "dip specialty products" are classified and priced as Class I. Fortified fluid milk products, including any water associated with additional nonfat milk solids used in the production of such products, are classified and priced under the present order as Class I. This classification should continue but only with respect to the actual weight of such products. The water associated with the additional nonfat solids used in the production of such products should be classified and priced as Class II.

The dip specialty items classified as Class II should be limited to those containing not less than three percent cheese or other food substances other

than a milk product. This will not only provide classification similar to the Eastern Colorado order, but will conform with the formulas used by regulated handlers.

Class II should also include fluid milk products disposed of in bulk form to any commercial food processing establishment for use in food products prepared for consumption off the premises. Although there apparently is no pool milk used for such purposes, this will provide classification similar to that of the Eastern Colorado order and will insure that Colorado Springs-Pueblo handlers will have an equal opportunity for such markets if they become available.

b. Class prices and Class I butterfat differential. As recommended, the Class I price per hundredweight of milk containing 3.5 percent butterfat would be established by adding \$2.10 to the basic formula price now contained in the order. The present Class I price is established at \$2.20 over this basic formula price. This price is the same as is contained in the Eastern Colorado order. As hereinbefore discussed, this price level is necessary to prevent the disruption of the normal supply sources for the Colorado Springs-Pueblo market and to prevent an unwarranted price advantage accruing to Eastern Colorado regulated handlers.

This price level will, of course, eliminate any necessity for additional payments on milk distributed in the Colorado Springs-Pueblo marketing area from plants regulated by the Eastern Colorado order. The Secretary's decision which resulted in the promulgation of the Colorado Springs-Pueblo order stated that such payments need not be required on milk classified and priced under any other Federal order. The order should be clarified in this regard.

The Eastern Colorado Class I price has been established for an interim period of 18 months. The Colorado Springs-Pueblo Class I price also should be established for a similar period to provide an opportunity for reconsideration of the level of such price at the same time the Eastern Colorado Class I price is reconsidered.

The Class II price for the months of March through July should be established at the level of the butter-powder formula contained in the basic formula price. During all other months it should be such butter-powder price plus 10 cents. However, the Class II price should not exceed the basic formula price in any month. The Class II price in the months August through February is now the higher of this butter-powder price or the average of the prices paid at specified manufacturing plants in Wisconsin and Michigan, and the higher of such prices less 20 cents in all other months.

In 1960 this price formula would have resulted in a Class II price averaging \$3.026. The Class II price for the year 1960, as announced by the market administrator, averaged \$3.068. It is not expected that this change will make any substantial difference in the cost of Class II milk under the order. However, this Class II price level is contained in the Eastern Colorado order and the in-

terests of orderly marketing will be served by providing the same price level in the Colorado Springs-Pueblo market.

The Class I butterfat differential should be computed by multiplying by 1.30 the Chicago Grade A (92-score) butter price specified in the basic formula. The Class I butterfat differential is now computed by multiplying such butter price by 1.40. This amendment will not result in any change in the cost to handlers of milk containing 3.5 percent butterfat. It will, however, change slightly the proportion of the Class I price assigned to each of the skim milk and butterfat components of Class I milk and will serve to provide equal costs with Eastern Colorado order handlers in the markets for products containing more or less than 3.5 percent butterfat.

2. Allocation of packaged milk received from plants regulated by another Federal order: Provision should be made to allocate to Class I milk, packaged fluid milk products subject to the Class I pricing provisions of the Eastern Colorado milk order and sour cream received from any Federal milk order when it is classified as Class I or its equivalent value. This will have the effect of giving the same treatment to such items moved from a plant under such order whether distributed directly to consumers in the marketing area from such plant, as is the case in the Colorado Springs-Pueblo market, or imported through a Colorado Springs-Pueblo plant. One of the Colorado Springs-Pueblo handlers operating plants subject to the Eastern Colorado order testified that this provision will allow him to continue to receive at his Colorado Springs plant, certain products which are not processed in such plant.

To assure that the provision will not encourage the movement of such products if they are available in the Colorado Springs-Pueblo plant, the provision should be limited to only those products which are not processed in the pool plant during the month.

3. Diversions between pool plants: The order should be amended to eliminate diversions of producer milk between pool plants. Although such movements would be allowed under the amended provision, the effect of the change would be to change the accounting for milk so moved.

As now provided, a handler diverting producer milk to another handler's pool plant accounts for such milk as a receipt of producer milk at his plant and as a transfer to the receiving handler's plant. The change will provide that the receiving handler account for the milk as a receipt of producer milk.

The principal association of producers in the market collects payment for its members' milk. Each handler receiving milk from cooperative members pays money due such members directly to the cooperative association. It will facilitate the accounting for milk moved between pool plants if the handler actually receiving such milk accounts for it as a receipt of producer milk and pays the cooperative association at least the applicable order price. This change will not affect handlers' costs with respect to

such milk and was unopposed at the hearing.

4. Miscellaneous and conforming changes.

a. One of the formulas used in determining the basic formula price, which is used in calculating the Colorado Springs-Pueblo Class I price, is the average of the prices paid for milk received from dairy farmers at specified plants in Wisconsin and Michigan, known as the "Midwestern Condenseries". Of the 12 plants now listed in the order, three (Borden Company, Mount Pleasant, Michigan; Carnation Company, Sparta, Michigan; and Carnation Company, Oconomowoc, Wisconsin) are no longer in operation. Accordingly, only the nine plants now operating should be listed in the attached order as the plants whose prices paid to dairy farmers shall be used in determining the basic formula price under the order.

b. Shrinkage should be allocated over a handler's receipts in a manner similar to that provided by the Eastern Colorado order. This change will have very little effect on regulated plants' operations. However, when regulated handlers have receipts of other source milk it will give equitable treatment to pool milk by avoiding duplication in prorating shrinkage between pool milk and other source milk. Accordingly, when a handler has receipts of other source milk shrinkage shall be prorated between:

(1) Skim milk and butterfat in pool milk in amounts respectively equal to 50 times the maximum amounts that may be computed pursuant to § 994.41(b) (7); and

(2) Skim milk and butterfat in other source milk.

c. If a handler is purchasing milk from a cooperative association on the basis of farm tank weights, the weights and butterfat tests as determined from stick readings and butterfat samples taken at the farm should form the basis for computing any shrinkage allowance. This is clearly intended in the case of butterfat tests and it was urged at the hearing that the provision of the order be made specific in this regard.

d. Changes made in the allocation provisions will require minor conforming changes in other provisions of the order. Those changes are necessary to make the entire order conform with these amendments and will not alter the effect of the order.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously

made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Recommended marketing agreement and order amending the order. The following order amending the order regulating the handling of milk in the Colorado Springs-Pueblo marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

1. Amend § 994.14 to read as follows:

§ 994.14 Fluid milk products.

"Fluid milk products" means milk, skim milk, buttermilk, flavored milk, flavored milk drinks, reconstituted milk or skim milk, fortified milk or skim milk (including "diet" foods), cream (sweet or sour), half and half, or any mixture in fluid form of milk or skim milk and cream (except ice cream mix, frozen dessert mix, aerated cream, eggnog, cultured sour mixture to which cheese or any food substance other than a milk product has been added in an amount not less than three percent by weight of the finished product), which are neither sterilized or in hermetically sealed containers.

2. Amend § 994.41 to read as follows:

§ 994.41 Classes of utilization.

Subject to the conditions set forth in §§ 994.42 through 994.46, the classes of utilization shall be as follows:

(a) *Class I milk.* Class I milk shall be all skim milk and butterfat:

(1) Disposed of in the form of a fluid milk product except:

(i) Any products fortified with added nonfat milk solids shall be Class I in an amount equal only to the weight of an equal volume of milk, skim milk, or cream of the same butterfat contents; and

(ii) As classified pursuant to paragraph (b) (2), (3) and (5) of this section; or

(2) Not specifically accounted for as Class II utilization.

(b) *Class II milk.* Class II milk shall be all skim milk and butterfat:

(1) Used to produce any product other than a fluid milk product;

(2) Disposed of as livestock feed;

(3) In skim milk dumped after prior notification to and opportunity for verification by the market administrator;

(4) The weight of skim milk in fluid milk products which is excepted from Class I milk pursuant to paragraph (a) (1) (i) of this section;

(5) Disposed of in fluid milk products in bulk form to any commercial food processing establishment for use in food products prepared for consumption off the premises;

(6) In inventory of fluid milk products on hand at the end of the month;

(7) In shrinkage of skim milk and butterfat, respectively, not to exceed the following:

(i) Two percent of receipts of producer milk described in § 994.12(a) (1); plus

(ii) 1.5 percent of receipts from a cooperative association in its capacity as a handler pursuant to § 994.9(d), except that if the handler operating the pool plant file with the market administrator notice that he is purchasing such milk on the basis of farm weights determined by farm bulk tank calibrations and butterfat tests determined from farm tank samples, the applicable percentage shall be two percent; plus

(iii) 1.5 percent of receipts in bulk tank lots from other pool plants; less

(iv) 1.5 percent of disposition in bulk tank lots to other milk plants; and plus

(v) 0.5 percent of receipts of producer milk by a cooperative association which is the handler pursuant to § 994.9(d), unless the exception provided in § 994.41 (b) (7) (ii) applies; and

(8) In shrinkage allocated to receipts of other source milk.

3. Amend § 994.42 to read as follows:

§ 994.42 Shrinkage.

The market administrator shall allocate shrinkage over a handler's receipts at each of his pool plants as follows:

(a) Compute the total shrinkage of skim milk and butterfat, respectively, at each pool plant; and

(b) If a handler has receipts of other source milk, shrinkage shall be prorated between:

(1) Skim milk and butterfat in pool milk in amounts respectively equal to 50 times the maximum amount that may be computed pursuant to § 994.41(b) (7); and

(2) Skim milk and butterfat in other source milk.

4. Amend § 994.44(a) by deleting therefrom the words "or diverted".

5. Amend § 994.46 to read as follows:

§ 994.46 Allocation of skim milk and butterfat classified.

After making the computations pursuant to § 994.45, the market administrator shall determine the classification of milk received from producers at each pool plant as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II the pounds of skim milk allocated in shrinkage of skim milk classified as Class II pursuant to § 994.41 (b) (7);

(2) Subtract from the total pounds of skim milk in Class I the pounds of skim milk in other source milk received:

(i) In the form of a fluid milk product in consumer type packages which are classified and priced as Class I milk under Order No. 1, regulating the handling of milk in the Eastern Colorado marketing area if such fluid milk products are not processed and packaged in the pool plant during the month; or

(ii) In the form of sour cream which is classified and priced as Class I or its equivalent value under another order issued pursuant to the Act.

(3) Subtract from the pounds of remaining skim milk in each class, in series beginning with Class II, the pounds of skim milk in other source milk received in the form of a product other than a fluid milk product;

(4) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk in other source milk received in the form of a fluid milk product not classified and priced as Class I milk or its equivalent value under another order issued pursuant to the Act;

(5) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk in other source milk received in the form of a fluid milk product not subtracted pursuant to subparagraphs (2) and (4) of this paragraph;

(6) Subtract from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk contained in inventory of fluid milk products on hand at the beginning of the month;

(7) Add to the pounds of skim milk remaining in Class II the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph;

(8) Subtract from the pounds of skim milk remaining in each class the pounds of skim milk received from other pool plants according to its classification as determined pursuant to § 994.44(a);

(9) Subtract pro rata from the remaining pounds of skim milk in each class the pounds of skim milk classified pursuant to § 994.44(f); and

(10) If the remaining pounds of skim milk in both classes exceeds the pounds of skim milk contained in milk received from producers, subtract such excess from the remaining pounds of skim milk in series beginning with Class II. Any amount so subtracted shall be known as "overage".

(b) Butterfat shall be allocated in accordance with the same procedure

outlined for skim milk in paragraph (a) of this section; and

(c) Add the pounds of skim milk and the pounds of butterfat allocated to producer milk in each class, pursuant to paragraphs (a) and (b) of this section and determine the percentage of butterfat in each class.

6. Amend § 994.50 by deleting from section (a) thereof the following designated plants:

Borden Co., Mount Pleasant, Mich.
Carnation Co., Oconomowoc, Wis.
Carnation Co., Sparta, Mich.

7. Amend § 994.51 to read as follows:

§ 994.51 Class prices.

Subject to the provisions of §§ 994.52 and 994.53, the class price per hundredweight for the month shall be as follows:

(a) *Class I milk.* During the first 18 months following the effective date of this paragraph, the basic formula price for the preceding month plus \$2.10; and

(b) *Class II milk.* During the months of March through July, the price specified in § 994.50(b), and during all other months such price plus 10 cents: *Provided*, That such price shall not be higher than the basic formula price for the month.

8. Amend § 994.53 by deleting from section (a) thereof the number "1.40" and replacing such number with the number "1.30".

9. Delete the word "pool" from § 994.61 (b) and amend § 994.61(b) (1) to read as follows:

(1) Such plant is qualified as a pool plant pursuant to § 994.7(a) and more Class I milk is disposed of from such plant on routes in the Colorado Springs-Pueblo marketing area than in the marketing area regulated pursuant to such other order, or

10. In § 994.70 make the following changes:

In paragraph (b) delete "§ 994.46 (a) (8)" and substitute "§ 994.46(a) (10)"; in paragraph (c) delete "§ 994.46 (a) (5)" and substitute "§ 994.46(a) (6)"; and delete paragraph (d) and substitute the following:

(d) Add the amount computed in subparagraphs (1) and (2) of this paragraph;

(1) Multiply the hundredweight of skim milk and butterfat subtracted from Class I milk pursuant to § 994.46 (a) (3) and the corresponding step of § 994.46(b) by the difference between the Class II price and the Class I price for the current month, adjusted by the applicable butterfat differentials; and

(2) For any skim milk or butterfat subtracted from Class I milk pursuant to § 994.46(a) (4) and the corresponding step of § 994.46(b) and pursuant to § 994.46(a) (6) and the corresponding step of § 994.46(b) which is in excess of the skim milk and butterfat applied pursuant to paragraph (c) of this section, add an amount equal to the differences between the values of such skim milk and butterfat at the Class I price and at the Class II price: *Provided*, That such

calculations shall not apply if the total receipts of producer milk at pool plants during the month are less than 110 percent of the total Class I utilization of such plants for the month.

Signed at Washington, D.C. on October 16, 1961.

CHARLES S. MURPHY,
Acting Secretary.

[F.R. Doc. 61-10019; Filed, Oct. 19, 1961;
8:47 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 121]

FOOD ADDITIVES

Notice of Filing of Petition

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348 (b)(5)), notice is given that a petition (FAP 298) has been filed by Ross and Roberts, Inc., 1299 West Broad Street, Stratford, Connecticut, proposing the issuance of a regulation to provide for the safe use in the packaging of food of rigid polyvinyl chloride sheeting colored with the following substances:

Barium sulfate, cadmium selenide, and cadmium sulfide mixture.
Cadmium sulfide, zinc sulfide, and barium sulfate mixture.
Carbon black (channel process).
Copper phthalocyanine.
Copper phthalocyanine, polychlorinated.
Diaz pigment formed by coupling dichlorobenzidine with phenylcarbethoxy pyrazolone.
Quinacridone (linear).
Titanium dioxide.
Ultramarine blue.

Dated: October 11, 1961.

[SEAL] J. K. KIRK,
Assistant Commissioner
of Food and Drugs.

[F.R. Doc. 61-10013; Filed, Oct. 19, 1961;
8:46 a.m.]

[21 CFR Part 141e]

BACITRACIN AND BACITRACIN-CONTAINING DRUGS; TESTS AND METHODS OF ASSAY

Bacitracin-neomycin Tablets; Moisture

The Commissioner of Food and Drugs pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 507, 59 Stat. 463, as amended; 21 U.S.C. 357) and under the authority delegated to him by the Secretary of Health, Education, and Welfare (25 F.R. 8625), proposes to amend the regulations for tests and methods of assay of bacitracin and bacitracin-containing drugs (21 CFR 141e.410) as indicated below. The Commissioner hereby offers an opportunity to all interested persons to submit their views in writing with reference to this proposal to the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence

Avenue SW., Washington 25, D.C., within 60 days from the date of publication of this notice in the FEDERAL REGISTER. Views and comments should be submitted in quintuplicate.

It is proposed to amend § 141e.410 *Bacitracin-neomycin tablets*; * * * by changing paragraph (b) (3) to read as follows:

(3) *Moisture.* In an atmosphere of about 10 percent relative humidity, transfer about 100 milligrams of the finely powdered sample to a tared weighing bottle equipped with ground-glass top and stopper. Weigh the bottle and place it in a vacuum oven, tilting the stopper on its side so that there is no closure during the drying period. Dry at a temperature of 60° C. and a pressure of 5 millimeters of mercury or less for 3 hours. At the end of the drying period fill the vacuum oven with air dried by passing it through a drying agent such as sulfuric acid or silica gel. Replace the stopper and place the weighing bottle in a desiccator over a desiccating agent such as phosphorous pentoxide or silica gel, allow to cool to room temperature, and reweigh. Calculate the percent loss.

Dated: October 16, 1961.

[SEAL] JOHN L. HARVEY,
Deputy Commissioner
of Food and Drugs.

[F.R. Doc. 61-10014; Filed, Oct. 19, 1961;
8:46 a.m.]

ATOMIC ENERGY COMMISSION

[10 CFR Part 150]

EXEMPTIONS AND CONTINUED REGULATORY AUTHORITY IN AGREEMENT STATES UNDER SECTION 274

Notice of Proposed Rule Making

Statement of considerations. Public Law 86-373, dated September 23, 1959, amended the Atomic Energy Act of 1954 by the addition of a new section 274, "Cooperation With States." One principal purpose of that legislation was to clarify the responsibilities of the Federal Government, on the one hand, and State and local governments, on the other, with respect to the regulation of byproduct, source, and special nuclear materials, as defined in the Atomic Energy Act, in order to protect the public health and safety from radiation hazards.

To implement this purpose, the Commission was authorized to enter into an agreement with the Governor of any State to provide for a discontinuance by the Commission and a corresponding assumption by the State of regulatory authority and responsibility with respect to certain activities involving byproduct material, source material, and special nuclear material in quantities less than a critical mass.

Subsection (c) of section 274 of the Atomic Energy Act specifically excludes from such agreements the discontinuance of any Commission authority with respect to:

1. The construction and operation of any production or utilization facility;

2. The export from or import into the United States of any byproduct, source, or special nuclear material or of any production or utilization facility;

3. The disposal into the ocean or sea of byproduct, source or special nuclear waste materials as defined in regulations or orders of the Commission;

4. The disposal of such other byproduct, source, or special nuclear material as the Commission determines by regulation or order should, because of the hazards or potential hazards thereof, not be so disposed of without a license from the Commission.

In addition to the foregoing the Commission, notwithstanding an agreement is authorized by rule, regulation, or order to require that the manufacturer, processor or producer of any equipment, device or commodity shall not transfer possession or control of such product except pursuant to a license issued by the Commission.

This regulation defines ocean or sea for purposes of section 274 of the Atomic Energy Act. In connection with sea or ocean disposal, the Commission will regulate the design and specification of containers, the selection of disposal sites, and the kinds, quantity and concentration of radioactive waste material permitted to be disposed of at sea.

The Commission has not taken a position as to whether it should retain, or relinquish to the States, its authority to regulate the commercial disposal by burial of atomic wastes or its authority to license the distribution by producers of products containing atomic energy materials. The Commission invites public comment on these questions.

If the Commission decides to retain licensing and regulatory authority over the disposal of atomic waste by burial, it may adopt a rule similar to paragraph (d) of § 150.8 below. Such a decision, and rule, would not preclude the State from licensing persons within the State to collect, package and provide temporary storage of atomic wastes and to transport such wastes (subject to applicable regulations of Federal agencies having jurisdiction over the means of transportation) for land burial. A license would still have to be obtained from the Atomic Energy Commission for the operation of the land burial site; and the Federal license would prescribe the container specifications, burial sites, precautions to detect and protect against undue migration of buried wastes, and types of wastes acceptable for such burial. It should be noted that paragraph (d) of § 150.8 would apply only to commercial land burial activities.

If the Commission, after public comment, decides to retain licensing authority over product transfers by producers, it may adopt a rule similar to paragraph (e) of § 150.8. Such a decision and rule would only apply to the transfer of the product or device by the manufacturer, processor or producer and would not preclude the State from regulating radiation hazards which might arise during manufacture, transportation or use of such products and devices.

If, on the other hand, the Commission decides to relinquish licensing authority in either or both of these areas,

it will not adopt the pertinent paragraph (d) or (e) of § 150.8.

In determining whether to retain or relinquish licensing and regulatory authority over commercial burial of atomic wastes, the Commission must consider, among other things: (1) Whether research and development programs of the Commission have progressed sufficiently to permit the establishment of satisfactory criteria for the selection and operation of land burial sites outside Federal jurisdiction; (2) whether the requirements for long-term maintenance of burial grounds can best be accomplished by the Federal Government or the States; and (3) whether waste handling and disposal have such interstate aspects that regulatory control should be continued by the Commission.

In determining whether to retain or relinquish licensing and regulatory authority over the distribution by the producer of products containing atomic energy materials, the Commission must consider, among other things: (1) Whether continued control is needed to achieve reasonable uniformity of safety design and labelling requirements for such products, many of which are widely distributed; and (2) whether continued Federal control over such products is needed to assure that appropriate limits are maintained on the total quantity of atomic energy materials entering into our general environment.

The Commission particularly invites public comment on the alternatives available to it with respect to these two areas of regulatory authority.

The exemptions herein granted are applicable to the activities of source, byproduct and special nuclear material licensees of agreement States only within the confines of the licensing agreement States.

Notice is hereby given that adoption of the following additions to Title 10 Code of Federal Regulations is contemplated. All interested persons desiring to submit written comments and suggestion for consideration in connection with adoption of these regulations should send them in triplicate to the Secretary, U.S. Atomic Energy Commission, Washington 25, D.C., within 60 days after initial publication of this notice in the **FEDERAL REGISTER**.

In reviewing this proposed regulation, interested persons should also consider the proposed agreement between the Commission and the Commonwealth of Kentucky published elsewhere in this issue of the **FEDERAL REGISTER**.

GENERAL PROVISIONS

- Sec.
- 150.1 Purpose.
- 150.2 Scope.
- 150.3 Definitions.
- 150.4 Communications.
- 150.5 Interpretations.

EXEMPTIONS IN AGREEMENT STATES

- 150.6 Persons exempt.
- 150.7 Critical mass.

CONTINUED REGULATORY AUTHORITY IN AGREEMENT STATES

- 150.8 Activities not exempted.

ENFORCEMENT

150.9 Violations.

AUTHORITY: §§ 150.1 to 150.9 issued under secs. 161 and 274, 68 Stat. 948; and 73 Stat. 688, 42 U.S.C. 2201 and 42 U.S.C. 2021.

§ 150.1 Purpose.

The regulations in this part provide certain exemptions to persons in agreement States from the licensing requirement contained in Chapters 6, 7, and 8 of the Act and from the regulations of the Commission imposing requirements upon persons who receive, possess, use or transfer byproduct material, source material or special nuclear material in less than a critical mass; and define activities in agreement States over which the regulatory authority of the Commission continues. The provisions of the Act, and regulations of the Commission apply to all persons in agreement States engaging in activities over which the regulatory authority of the Commission continues.

§ 150.2 Scope.

The regulations in this part apply in the States listed in this section on and after the indicated effective dates.

State: *Effective date*
Kentucky----- Dec. 1, 1961

§ 150.3 Definitions.

As used in this part:

(a) "Act" means the Atomic Energy Act of 1954, including any amendments thereto.

(b) "Agreement State" means any State with which the Commission has entered into an effective agreement under Section 274 of the Atomic Energy Act of 1954, as amended.

(c) "Byproduct material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

(d) The term "Commission" means the Atomic Energy Commission.

(e) "Source material" means source material as defined in the Commission's regulations contained in other parts of this chapter.

(f) "Special nuclear material" means special nuclear material as defined in the Commission's regulations contained in other parts of this chapter.

(g) "Production facility" means production facility as defined in the Commission's regulations contained in other parts of this chapter.

(h) "Person" means (1) any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group agency, any State or any political subdivision of any political entity within a State, and any legal successor, representative, agent, or agency of the foregoing other than Federal Government Agencies.

(i) "State" means any State, Territory, or possession of the United States, the Canal Zone, Puerto Rico, and the District of Columbia.

(j) "Utilization facility" means utilization facility as defined in the Commission's regulations as contained in other parts of this chapter.

§ 150.4 Communications.

All communications concerning the regulations of this part or any Commission license issued under them should be addressed to the United States Atomic Energy Commission, Washington 25, D.C., Attention: Division of Licensing and Regulation. Communications and reports may be delivered in person at the Commission's Office at 1717 H Street NW., Washington, D.C., or its offices at Germantown, Maryland.

§ 150.5 Interpretations.

Except as specifically authorized by the Commission in writing, no interpretation of the meaning of the regulations in this part by an officer or employee of the Commission other than a written interpretation by the General Counsel will be recognized to be binding upon the Commission.

EXEMPTIONS

§ 150.6 Persons exempt.

(a) Any person in an agreement State who receives, possesses, uses or transfers byproduct material, source material, or special nuclear material in quantities not sufficient to form a critical mass is exempt from the requirements for a license contained in Chapters 6, 7, and 8 of the Act, regulations of the Commission imposing licensing requirements upon persons who receive, possess, use or transfer such materials, and from regulations of the Commission applicable to licensees.

(b) The activities described in § 150.8 are not within the exemptions in paragraph (a) of this section.

§ 150.7 Critical mass.

(a) For the purposes of this part, special nuclear material in quantities not sufficient to form a critical mass means uranium enriched in the isotope U-235 in quantities not exceeding 350 grams of contained U-235; uranium-233 in quantities not exceeding 200 grams; plutonium in quantities not exceeding 200 grams; or any combination of them in accordance with the following formula: For each kind of special nuclear material, determine the ratio between the quantity of that special nuclear material and the quantity specified above for the same kind of special nuclear material. The sum of such ratios for all kinds of special nuclear materials in combination shall not exceed unity. For example, the following quantities in combination would not exceed the limitation and is within the formula, as follows:

$$\frac{175 \text{ (grams contained U-235)}}{350} + \frac{50 \text{ (grams U-233)}}{200} + \frac{50 \text{ (grams Pu)}}{200} = 1$$

(b) To determine whether the special nuclear material is in quantities not sufficient to form a critical mass, a person shall include in the formula given in paragraph (a) of this section the total special nuclear material to be received, possessed or used in an agreement State.

CONTINUED COMMISSION REGULATORY AUTHORITY IN AGREEMENT STATES

§ 150.8 Activities not exempted.

The exemptions provided in § 150.6 do not apply to:

(a) The construction and operation of production and utilization facilities;

(b) The export from or import into the United States of byproduct, source or special nuclear material, or of any production or utilization facility;

(c) The disposal into the ocean or sea of byproduct, source or special nuclear waste material. Ocean or sea means any part of the territorial waters of the United States and any part of international waters;

(d) The burial by any person of byproduct, source, or special nuclear waste received by such person from any other person for disposal.¹

(e) Notwithstanding any exemptions provided in this part no person who is the manufacturer, processor or producer of any equipment, device, commodity or product listed below which contains source, byproduct, or special nuclear material shall transfer possession or control of such products except pursuant to a license or an exemption from licensing under regulations of the Commission contained in other parts of this chapter.¹

(1) Sealed sources and holder or containers for sealed sources (e.g., radiographic exposure devices, teletherapy units).

¹ The Commission has not taken any position as to whether paragraphs (d) and (e) should be adopted pending public comment thereon. (See Statement of Considerations for discussion of policy questions involved.) The Commonwealth of Kentucky has submitted for Commission approval a program which would allow it to regulate the commercial land burial of atomic energy wastes and to license the transfer of devices and products by manufacturers. A summary of the Kentucky program is published elsewhere in the FEDERAL REGISTER.

(2) Any device, equipment, or product designed and manufactured for the purpose of detecting, measuring, gauging or controlling thickness, density, level, interface location, radiation, leakage or qualitative or quantitative chemical composition or for producing an ionized atmosphere.

(3) Any device, equipment or product containing byproduct, source or special nuclear material as a luminous paint or compound.

(4) Products into which byproduct, source or special nuclear material have been introduced for tracing or other purposes.

(5) Glazed ceramic tableware containing source material.

(6) Glassware containing source material including glass brick, pane glass, ceramic tile or other glass or ceramic used in construction.

(7) Any finished product or part fabricated of or containing tungsten or magnesium thorium alloy.

(8) Aircraft counterweights containing uranium.

(9) Gas mantles, vacuum tubes and welding rods.

(10) Any other device, equipment, commodity or product, not including containers used solely for storage, containing source, byproduct or special nuclear material.

ENFORCEMENT

§ 150.9 Violations.

An injunction or other court order may be obtained prohibiting any violation of any provision of the Act or any regulation or order issued thereunder. Any person who willfully violates any provisions of the Act or any regulation or order issued thereunder may be guilty of a crime and, upon conviction, may be punished by fine or imprisonment, or both, as provided by law.

Dated at Germantown, Md., September 25, 1961.

For the Atomic Energy Commission.

[SEAL] WOODFORD B. MCCOOL,
Secretary.

[F.R. Doc. 61-9371; Filed, Sept. 28, 1961; 8:49 a.m.]

Notices

DEPARTMENT OF THE TREASURY

Office of the Secretary

[Dept. Circ. 570, 1961 Rev. Supp. No. 11]

ILLINOIS NATIONAL INSURANCE CO.

Surety Companies Acceptable on Federal Bonds

OCTOBER 17, 1961.

A Certificate of Authority has been issued by the Secretary of the Treasury to the following company under the Act of Congress approved July 30, 1947, 6 U.S.C., secs. 6-13, as an acceptable surety on Federal bonds.

An underwriting limitation of \$362,000 has been established for the company. Further details as to the extent and localities with respect to which the company is acceptable as surety on Federal bonds will appear in the next revision of Department Circular 570, to be issued as of May 1, 1962. Copies of the circular, when issued, may be obtained from the Treasury Department, Bureau of Accounts, Surety Bonds Branch, Washington 25, D.C.

State in Which Incorporated, Name of Company and Location of Principal Executive Office

ILLINOIS

Illinois National Insurance Company
Springfield, Illinois

[SEAL] W. T. HEFFELFINGER,
Fiscal Assistant Secretary.

[F.R. Doc. 61-10028; Filed, Oct. 19, 1961;
8:48 a.m.]

[Treasury Dept. Order No. 179-3]

SALE AND DISTRIBUTION OF SETS OF UNCIRCULATED COINS

Transfer of Functions

By virtue of the authority vested in me by Reorganization Plan No. 26 of 1950 there are hereby transferred from the Office of the Treasurer of the United States to the Bureau of the Mint all functions and responsibilities for the sale and distribution of sets of uncirculated coin, other than over the counter sales, beginning with coins minted in calendar year 1962. In effecting this transfer of functions neither funds nor personnel will be transferred.

The Office of the Treasurer of the United States will continue over the counter sales of sets of uncirculated coin and, beginning with coins minted in calendar year 1962, will be provided by the Bureau of the Mint with supplies of proof coins when available for over the counter sales.

Dated: October 16, 1961.

[SEAL] DOUGLAS DILLON,
Secretary of the Treasury.

[F.R. Doc. 61-10027; Filed, Oct. 19, 1961;
8:48 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[No. 62-7]

OREGON

Notice of Proposed Withdrawal and Reservation of Lands

OCTOBER 13, 1961.

The Bureau of Land Management has filed an application Serial No. Oregon 011886, for the withdrawal of lands described below, subject to valid existing rights, from location under the mining laws for nonmetalliferous minerals only. Disposal of materials under the Materials Act (July 31, 1947; 61 Stat. 681), as amended by the act of July 23, 1955 (69 Stat. 367; 30 U.S.C. 601 et seq.), and of leasable minerals and nonmineral resources under appropriate leasing laws will be permitted. The lands will at all times continue to be open to exploration, discovery, occupation, and purchase under the mining laws so far as the same apply to metalliferous minerals.

The applicant desires to preserve these lands for the use and enjoyment of the public for recreational pursuits pertaining to petrified materials.

For a period of thirty days from the date of publication of this notice, persons having cause may present their objections in writing to the undersigned official of the Bureau of Land Management, Department of the Interior, 710 NE. Holladay Street, Portland 12, Oregon.

If circumstances warrant it, a public hearing will be held at a convenient time and place which will be announced.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

The lands involved in the application are:

WILLAMETTE MERIDIAN, OREGON

The Hope Butte Area:

T. 17 S., R. 43 E.,
Sec. 19: All;
Sec. 20: All;
Sec. 21: All;
Sec. 22: All;
Sec. 27: All;
Sec. 28: All;
Sec. 29: All;
Sec. 30: N½, N½S½.

The Nigger Rock Area:

T. 21 S., R. 43 E.,
Sec. 33: All;
Sec. 34: All.
T. 22 S., R. 43 E.,
Sec. 3: All;
Sec. 4: All.
T. 22 S., R. 44 E.,
Sec. 5: All;
Sec. 6: All;
Sec. 7: All;
Sec. 8: All;
Sec. 17: All;
Sec. 18: All.

Alkali Spring Area:

T. 22 S., R. 46 E.,
Sec. 31: All;
Sec. 32: All.
T. 23 S., R. 45 E.,
Sec. 1: All.
T. 23 S., R. 46 E.,
Sec. 5: All;
Sec. 6: All.

Grave Yard Point Area:

T. 23 S., R. 46 E.,
Sec. 24: All;
Sec. 25: All.
T. 23 S., R. 47 E.,
Sec. 19: All;
Sec. 30: All.

Disaster Peak Area:

T. 40 S., R. 40 E.,
Sec. 28: All;
Sec. 29: N½, SW¼, N½SE¼;
Sec. 30: All;
Sec. 31: All;
Sec. 32: W½;
Sec. 33: N½.

The total area aggregates 19,496.11 acres.

RUSSELL E. GETTY,
State Director.

[F.R. Doc. 61-10011; Filed, Oct. 19, 1961;
8:46 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

FRESH IRISH POTATOES

Notice of Diversion Payment Program CMD 3a

In order to encourage the further utilization of fresh Irish potatoes by diverting them from the normal channels of trade and commerce into the manufacture of potato starch, potato flour, or other approved products, in accordance with section 32, Public Law 320, 74th Congress, approved August 24, 1935, as amended, a diversion payment program was made effective on September 8, 1961, and will continue until further notice, but in any event not later than April 30, 1962, in areas where potato surpluses have created serious marketing problems, where manufacturing facilities are available, and where a marketing plan approved by the Department of Agriculture has been established to assist in effectuating the purpose of the program. Information relative to this diversion program may be obtained from: Fruit and Vegetable Division, Agricultural Marketing Service, Department of Agriculture, Washington 25, D.C.

(Sec. 32, 49 Stat. 774, as amended, 7 U.S.C. and Supp. 612c)

Dated: October 16, 1961.

FLOYD F. HEDLUND,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 61-10017; Filed, Oct. 19, 1961;
8:47 a.m.]

Agricultural Research Service IDENTIFICATION OF CARCASSES OF CERTAIN HUMANELY SLAUGHTERED LIVESTOCK

Supplemental List of Humane Slaughterers

Pursuant to section 4 of the Act of August 27, 1958 (7 U.S.C. 1904) and the statement of policy thereunder in 9 CFR 181.1 the following table lists additional establishments operated under Federal inspection under the Meat Inspection Act (21 U.S.C. 71 et seq.) which have been officially reported as humanely slaughtering and handling the species of livestock respectively designated for such establishments in the table. This list supplements the list previously published

under the Act (26 F.R. 9561) for September and represents those establishments and species which were reported too late to be included in the earlier list or which have come into compliance with respect to species indicated since the completion of the reports on which the earlier list was based. The establishment number given with the name of the establishment is branded on each carcass of livestock inspected at that establishment. The table should not be understood to indicate that all species of livestock slaughtered at a listed establishment are slaughtered and handled by humane methods unless all species are listed for that establishment in the table. Nor should the table be understood to indicate that the affiliates of any listed establishment use only humane methods:

Name of establishments	Establishment No.	Cattle	Calves	Sheep	Goats	Swine	Horses
Armour and Co.	2AT	(*)		(*)		(*)	
Do.	2B	(*)	(*)			(*)	
Do.	2SD	(*)	(*)		(*)	(*)	
Swift and Co.	3A	(*)	(*)			(*)	
Do.	3B	(*)	(*)			(*)	
Do.	3D	(*)	(*)	(*)		(*)	
Do.	3F	(*)	(*)	(*)	(*)	(*)	
Do.	3S					(*)	
John Morrell and Co.	17D			(*)		(*)	
C. Finkbeiner, Inc.	18	(*)				(*)	
The Cudahy Packing Co.	19	(*)				(*)	
Wilson and Co., Inc.	20A	(*)				(*)	
Brander Meat Co.	25	(*)	(*)	(*)		(*)	
Hill Packing Co.	83E						(*)
Eastern Packing Co.	74E						(*)
Shonyo Packing Co.	93	(*)	(*)	(*)	(*)		
Swift and Co.	104	(*)	(*)	(*)	(*)	(*)	
Peyton Packing Co., Inc.	126	(*)	(*)	(*)	(*)	(*)	
Ottawa Packing Co.	135	(*)				(*)	
R. B. Rice Sausage Co., Inc.	144					(*)	
Kansas City Dressed Beef Co.	156	(*)					
Missouri Farmers Assn. Packing Division	159	(*)				(*)	
Do.	159A	(*)					
George A. Hormel & Co.	199A	(*)					
Central Packing Co., Inc.	208	(*)					
Hygrade Food Products Corp.	224B	(*)	(*)	(*)		(*)	
Armour and Co.	238	(*)				(*)	
I. Klayman & Co.	243	(*)				(*)	
Bookey Packing Co.	281	(*)				(*)	
Webb Packing Co.	316	(*)				(*)	
Des Moines Packing Co.	340	(*)				(*)	
McCandless Packing Co., Inc.	355	(*)				(*)	
Westport Packing Corp.	369	(*)				(*)	
Oldham Farm Sausage Co., Inc.	392	(*)				(*)	
E. W. Kneip, Inc. of Iowa	422	(*)				(*)	
Pioneer Provision Co.	461	(*)				(*)	
Becwar Packing Co.	467	(*)				(*)	
Eldridge Packing Co.	478	(*)				(*)	
Middletown Beef Co., Inc.	483	(*)				(*)	
Memphis Butchers Association, Inc.	488	(*)	(*)	(*)		(*)	
Helm Brothers Packing Co.	499	(*)				(*)	
Armour and Co.	509	(*)				(*)	
United Dressed Meats, Inc.	546	(*)				(*)	
Mid South Packers, Inc.	557	(*)				(*)	
Frosty Morn Meats, Inc.	576	(*)				(*)	
Armour and Co.	579	(*)				(*)	
Stahl Meyer, Inc.	583	(*)				(*)	
Andrew Peterman Co., Inc.	583	(*)				(*)	
Coffeyville Packing Co., Inc.	583	(*)				(*)	
F. A. Ferris & Co., Inc.	583	(*)				(*)	
Peoria Packing Co., Inc.	583	(*)				(*)	
Ebner Bros. Packers	633	(*)	(*)			(*)	
Bird Provision Co.	647	(*)				(*)	
Crown Packing Co.	666	(*)				(*)	
Armour and Co.	680	(*)	(*)	(*)		(*)	
Davenport Packing Co., Inc.	716	(*)				(*)	
Swift and Co.	726	(*)				(*)	
Bryan Brothers Packing Co.	780	(*)				(*)	
Bristol Packing Co.	828	(*)				(*)	
John Morrell and Co.	836	(*)				(*)	
Sambol Packing Co.	892	(*)				(*)	
Meats, Inc.	899	(*)				(*)	
Wilson and Co., Inc.	940	(*)				(*)	
Reitz Meat Products Co.	983	(*)				(*)	
Chiapetti Packing Co.	916	(*)		(*)		(*)	

Done at Washington, D.C., this 16th day of October 1961.

C. H. FALS,
Director, Meat Inspection Division, Agricultural Research Service.

[F.R. Doc. 61-10018; Filed, Oct. 19, 1961; 8:47 a.m.]

No. 203—5

ATOMIC ENERGY COMMISSION KENTUCKY

Proposed Agreement for Discontinuance of Certain Regulatory Authority and Responsibility

Notice is hereby given that the U.S. Atomic Energy Commission proposes to enter into the following agreement with the Commonwealth of Kentucky pursuant to section 274 of the Atomic Energy Act, as amended. A summary of the Kentucky program, as contained in paragraphs I.A.-G. of the program submitted to the Commission by the Commonwealth of Kentucky, is set forth below as Appendix A to this notice. A copy of the complete text of the Kentucky program, including proposed Kentucky regulations, is available for public inspection in the Commission's Public Document Room, 1717 H Street NW., Washington, D.C., or may be obtained by writing to the Director, Office of Radiation Standards, U.S. Atomic Energy Commission, Washington 25, D.C. All interested persons desiring to submit comments and suggestions for consideration in connection with the proposed agreement should send them in triplicate to the Secretary, U.S. Atomic Energy Commission, Washington 25, D.C., within 60 days after initial publication in the FEDERAL REGISTER.

In reviewing this proposed agreement interested persons should also consider proposed Part 150 to the Commission's regulations published elsewhere in this issue of the FEDERAL REGISTER.

Proposed Agreement Between the United States Atomic Energy Commission and the Commonwealth of Kentucky for Discontinuance of Certain Commission Regulatory Authority and Responsibility Within the Commonwealth Pursuant to Section 274 of the Atomic Energy Act of 1954, as Amended

Whereas, The United States Atomic Energy Commission (hereinafter referred to as the Commission), is authorized under section 274 of the Atomic Energy Act of 1954, to discontinue within the States its regulatory responsibility for source, byproduct and special nuclear material in quantities not sufficient to form a critical mass, and;

Whereas, The Commonwealth of Kentucky (hereinafter referred to as the Commonwealth), desires to assume regulatory responsibility for source, byproduct and special nuclear material in quantities not sufficient to form a critical mass, and;

Whereas, the Governor of the Commonwealth certifies to the existence of a program for the control of radiation hazards adequate to protect the public health and safety with respect to the materials within

¹ This proposed agreement was published initially on Aug. 24, 1961, 26 F.R. 7889. In order to facilitate public comment on the proposed agreement, it is hereby published in amended form to include a summary of the Kentucky program for control of byproduct, source and special nuclear materials in quantities not sufficient to form a critical mass.

the Commonwealth covered by this agreement, and;

Whereas, the Commission has found that the program of the Commonwealth for the regulation of the materials covered by this agreement is compatible with the Commission's program for the regulation of such materials and is adequate to protect the public health and safety;

Whereas, this agreement is entered into and is subject to the provisions of the Atomic Energy Act of 1954, as amended.

Now, therefore, it is hereby agreed between the Commission and the Commonwealth as follows:

Article I. With respect to activity in the Commonwealth, the Commission, subject to exceptions provided in Article II of this agreement, agrees to discontinue its regulatory authority with respect to the following materials:

- (a) Byproduct materials;
- (b) Source materials; and
- (c) Special nuclear materials in quantities not sufficient to form a critical mass.

Article II. This agreement does not apply to the following activities:

A. The construction and operation of any production or utilization facility;

B. The export from or import into the United States of byproduct, source, or special nuclear material or of any production or utilization facility;

C. The disposal into the ocean or sea of byproduct, source or special nuclear waste materials as defined in regulations or orders of the Commission;

D. The disposal of such other byproduct, source, or special nuclear material as the Commission determines by regulation or order should, because of the hazards or potential hazards thereof, not be so disposed of without a license from the Commission;

E. The authority of the Commission to require, by rule, regulation, or order, that the manufacturer, processor, or producer of any equipment, device, commodity, or other product containing source, byproduct, or special nuclear material shall not transfer possession, or control of such product except pursuant to a license issued by the Commission.

Article III. This agreement shall not affect the authority of the Commission under subsection 161 b. or i. of the Atomic Energy Act of 1954, as amended, to issue rules, regulations, or orders to protect the common defense and security, to protect restricted data or to guard against the loss or diversion of special nuclear material.

Article IV. This agreement shall become effective on December 1, 1961.

Dated at Germantown, Md., September 25, 1961.

For the Atomic Energy Commission.

[SEAL] WOODFORD B. McCool,
Secretary.

APPENDIX A

I. Policies and Procedures of the Commonwealth of Kentucky for the Regulation and Licensing of Byproduct, Source, and Special Nuclear Materials in Less Than a Critical Mass²

A. Introduction. The purpose of this narrative is to summarize the Commonwealth

²This summary of the Kentucky program is contained in paragraphs I.A.-G. of the program submitted to the Commission by the Commonwealth of Kentucky. A copy of the complete text of the program, including proposed Kentucky regulations, is available for public inspection in the Commission's Public Document Room, 1717 H Street NW., Washington, D.C., or may be obtained by writing to the Director, Office of Radiation Standards, U.S. Atomic Energy Commission, Washington 25, D.C.

of Kentucky's program for the control of radiation hazards with respect to byproduct, source, and special nuclear materials in quantities not sufficient to form a critical mass. This program has been submitted to the United States Atomic Energy Commission by the Commonwealth in order to enable the Commonwealth to assume and the Commission discontinue certain of the Commission's regulatory authority over byproduct, source, and special nuclear materials in less than a critical mass pursuant to Public Law 86-373 (sec. 274 of the Atomic Energy Act of 1954, 68 Stat. 919).

Pursuant to an agreement to be executed by the Governor and the Commission, the Nuclear Energy Act of Kentucky (KRS 152), certain executive orders, and regulations proposed to be adopted, the Department of Health, Division of Radiological Health will be responsible for regulating the possession and use of byproduct, source, and special nuclear materials in less than a critical mass to protect the health and safety of the public, including employees, against the hazards of radiation. These documents provide for a comprehensive system of regulatory control over byproduct, source, and special nuclear materials in less than a critical mass. In the absence of exceptions granted by the Division of Radiological Health, hereinafter referred to as the "Agency" the regulations prohibit the possession or use of these materials without a license from the Agency. The regulations also require licensees to observe such regulations and orders applicable to their licensed activities as may be issued by the Agency.

The first category of material for which the Nuclear Energy Act, hereinafter referred to as the Act, the executive orders, and the regulations establish licensing control is byproduct material.

The second category of material for which licensing control is established is source material. Except for quantities of source material, which in the opinion of the Agency are unimportant, a license is required before any person may transfer or use source material after removal from its place of deposit in nature.

A license is required for the possession and use of special nuclear materials in quantities less than a critical mass. Recognition of the fact that title to all special nuclear material is vested by the Atomic Energy Act of 1954 in the USAEC is given cognizance.

The Agency may issue general licenses for source, special nuclear and byproduct materials in situations where more individualized control by specific licenses is not necessary. General licenses are effective without the filing of applications with the Agency or the issuance of licensing documents to particular persons. Specific licenses are issued to named persons upon applications filed pursuant to Agency regulations. The Agency is also authorized to exempt from the licensing requirements quantities and classes of source and byproduct materials which are insignificant from a health and safety standpoint.

B. The Agency's program for regulating radioactive materials. The Agency's regulations designed to protect the health and safety of the public are:

- RH-1 Scope of radiological health regulations.
- RH-2 Definitions of terms.
- RH-3 Rules of practice.
- RH-4 Permissible dose, levels, concentrations and precautionary procedures.
- RH-5 Waste disposal.
- RH-6 Records, reports, and notifications.
- RH-7 Exemptions or additional requirements.
- RH-8 Licensing of byproduct material.
- RH-9 Radiation safety requirements for radiographic operations.
- RH-10 Licensing of source material.

RH-11 Licensing of special nuclear materials.

RH-12 Transportation of radioactive material.

Basically, the regulations require that—
(a) Each licensee or his staff must be qualified by training and experience to possess and use the material safely for the purpose for which it is licensed.

(b) Equipment and facilities of each licensee must be appropriate to protect health and minimize danger to life and property.

(c) The location of the proposed activity must be suitable for the purpose.

(d) The material may be used only for a purpose authorized in the license.

(e) The material may not be transferred except to persons authorized to receive it.

The general health and safety regulations (RH-4, RH-5, RH-6, and RH-7) apply to all persons who possess byproduct, source, or special nuclear materials in less than a critical mass under a general or specific license from the Agency. They establish maximum permissible concentrations of radioactive material in the air to which a licensee may expose employees. They also establish standards applicable to the amount of radiation and the concentrations of radioactive materials which a licensee may create or release in the environment. These standards are based upon recommendations of recognized technical authorities, including the National Committee on Radiation Protection, and reflect the USAEC's experience in its operations. Other provisions prescribe requirements for personnel monitoring, protective equipment, caution signs, labels and signals, waste disposal, storage of licensed material, and records and reports. The Agency's regulatory program is designed to assure safety to licensees and their employees, and to the public, and also to avoid unnecessary restrictions.

When necessary, the Agency will include in a particular license specific requirements covering those matters not expressly defined in the applicable regulations. If, after a license is issued, the Agency finds that some aspect of the licensee's activity has not been appropriately covered by the regulations or by the conditions in the license, the Agency will issue an order to the licensee imposing additional requirements upon him.

The Agency will keep interested members of the public and public authorities informed as to its regulatory program. As provided in KRS 13, the public is given an opportunity to participate in the issuance and amendment of the Agency's regulations. In the interest of health and safety, new regulations and amendments could be made effective immediately under the Governor's emergency powers in accordance with KRS 152.130. Normally, however, new regulations and amendments will not be made effective until the public is afforded an opportunity for comment.

Interested persons will be permitted to intervene in licensing proceedings before the Agency and may request a hearing and the Agency and the Coordinator of Atomic Activities will make available for public inspection, copies of licenses and related documents.

Licensing procedures will involve the evaluation of a variety of radiation hazards and determination of the adequacy of radiation controls proposed by applicants for licenses. Required controls will of course vary greatly with the type of material and its proposed use. A principal purpose of the licensing requirement is to enable the Agency to determine that the applicant will be able to comply with the Agency's radiation safety regulations and other regulatory requirements. The information required of the applicant is designed to provide the Agency with sufficient knowledge of the proposed program to make this determination.

In connection with license applications a pre-licensing visit will be made to the ap-

plicant's premises when it is necessary to make an on-the-spot evaluation of his facilities, equipment, and radiation safety program to discuss licensing procedures.

A license will be issued if the facilities and equipment, training and experience, and operating procedures of the applicant appear adequate from the radiation protection standpoint for the types, levels of activity, and proposed uses of the radioactive materials.

If pre-evaluation establishes that the design of certain devices containing radioactive material provides a high degree of built-in safety and makes it safe for use by persons not trained in radiation protection, the devices will be made available under general rather than specific license, no further pre-evaluation or notification to the Agency will be necessary, on the part of the possessor and user of the device, but he will be responsible for compliance with specified portions of the regulations, and is subject to sanctions in the event of misuse.

General licenses will exist with respect to limited quantities of the various source and byproduct materials with certain restrictions as to use. Larger quantities will require specific licenses.

Presently there are no outright exemptions under RH-8 (byproduct material). Under RH-10 (source material) there are exemptions for products such as: incandescent mantles, ceramic items, refractories, glass products, photographic film negatives and prints, vacuum tubes, thoriated tungsten containing not more than 3 percent thorium, and rare earth metals and compounds containing not more than 0.25 percent source material. There are also exemptions for certain small quantities of materials, and general licenses for other small quantities of materials for specified uses.

C. Waste disposal. Under the regulations there are four ways by which licensees may dispose of wastes: (1) By burial of small quantities in land, (2) by limited disposal in the sanitary sewer system, (3) by release of effluents in specified low concentrations, or (4) by transfer of the material to another licensee for subsequent disposal. The Agency's regulations provide for consideration of methods such as incineration and for consideration of the disposal of higher levels of wastes on an individual basis. These alternative methods and levels are permitted only upon approval of the Agency of specific applications. Such applications must provide information from which the Agency can make an analysis to determine that the disposal can be done safely. The levels of activity specified in the regulations are so low as to be considered safe under projected conditions of disposal.

Specific approval of the Agency is required before a licensee may dispose of radioactive materials by incineration.

A pre-licensing visit may be made to the applicant prior to issuing a license for the disposal of wastes. During this visit a careful review will be made with the applicant of the proposed program to determine that it can be conducted in accordance with the regulations and any special terms or conditions as may be added to the license.

D. Inspection. Based upon the existing number and kind of byproduct, source, and special nuclear material licenses, a priority system has been established under which inspection of the most hazardous activities will be conducted once each 12 months, and the remainder on less frequent basis depending on the relative hazard.

Most inspections will be scheduled visits. A significant number may be on an unannounced basis.

Inspection visits will usually entail a comprehensive review by the inspector of the licensee's equipment, facilities, the handling or storage of radioactive material, the procedures in effect, including actual operation,

and interviewing the personnel directly involved. The inspector will review the licensee's survey methods and results, and personnel monitoring practices and results, the posting and labeling used, the instructions to personnel, and the methods and apparent effectiveness of maintaining control of people in the restricted area. The inspector will review the licensee's records of receipts and inventory of licensed material. He may physically check the inventory. He will examine records concerning disposal to the sewerage system and burial in the soil, if pertinent.

This type of review should provide data sufficient to determine whether or not the licensee is in compliance with the provisions of the license and regulations. The Agency representative may or may not make measurements of radiation levels. Most of the time he will be able to detect whether or not survey information maintained by the licensee on a continuing basis constitutes an adequate evaluation of the radiation hazards associated with the program.

Prior to leaving the licensee's premises the Agency representative will meet with management to discuss the results of his inspection. During this meeting, the Agency representative will attempt to answer questions concerning the regulatory program. The inspector will prepare a detailed report setting out all the facts and circumstances that he gathered or observed during the inspection. This report will be reviewed by the Agency. The report will provide the basis for appropriate administrative enforcement action.

In addition there will be investigations of incidents and complaints involving licensed materials and operations to determine the cause, the steps taken by the licensee to cope with the incident, whether or not there was noncompliance with a regulation, and the steps the licensee is taking to avoid recurrence of the incident.

Licensees will be informed of the results of all inspections, first orally at the time of the inspection, and by letter or notice from the Agency.

E. Enforcement. Reports of inspections of licensee's activities will be evaluated to determine the status of compliance of the licensees with Agency regulations. If no item of non-compliance is observed, the licensee is so informed. If only minor matters of non-compliance, such as improper signs, failure to label, etc. are involved which the licensee agrees to correct at the time of the inspection, the licensee will be informed by letter of the items of non-compliance and that corrective action will be reviewed during the next inspection. If the inspection reveals non-compliance of a more serious nature, the licensee will be required to inform the Agency, in writing, usually within 15-30 days, as to corrective action taken and the date completed. In these cases the Agency representative will either conduct a prompt follow-up inspection, or the matter will be reviewed during a regular inspection to assure that corrective action has in fact been accomplished. If the reply does not satisfactorily explain the non-compliance and assure that further violations will be prevented, the Agency may issue an order to show cause why the license should not be terminated or otherwise modified.

F. Formal procedure in licensing and enforcement. There are provisions for formal hearings before the Agency and review of results may be granted by the Board of Health. Hearings will be held at the request of licensees, applicants for licenses, and persons whose interests may be affected. Decisions by the Agency will usually be final unless appealed to the Board of Health or reviewed by the Board of Health on its own motion.

Agency hearings will result in the grant or denial of applications for licenses or renewals, or modifications, suspension, or revocation of licenses. In addition to these

remedies, the Agency has available, under KRS 152.190, injunctive relief and criminal sanctions afforded in the Commonwealth courts.

G. Transportation of radioactive material. Except pursuant to certain specific exemptions, no licensee may package for transport or cause to be transported radioactive material by intrastate rail, water, air, or highway unless the Agency has first evaluated the proposed packaging or transport and has determined that the proposed packaging or transport can be accomplished without undue risk to the health and safety of the public. In evaluating an application for a license to possess byproduct, source, or special nuclear material pursuant to RH-8, RH-10, or RH-11, the Agency will ascertain if the applicant intends to package for transport or transport radioactive material. If packaging or transportation of material is involved the Agency will determine: (1) Whether the transport or packaging for transport will be repetitive or non-repetitive; (2) The quantity of material involved; (3) The proposed packaging; (4) Precautionary measures to be employed; and (5) The potential hazard, to the public health and safety.

In accordance with the degree of hazard involved, the Agency will incorporate special conditions relating to packaging and transport in the license, using as criteria applicable regulations of the Interstate Commerce Commission, Civil Aeronautics Board, and Coast Guard. Violation of any of the conditions of the license regarding transport or packaging for transport will constitute grounds for the suspension, modification, amendment or revocation of the license in accordance with RH-2, "Rules of Practice". Regulations of the Department of Motor Transportation will be revised to impose upon intrastate carriers of radioactive materials requirements similar to those provided by the Interstate Commerce Commission, including, but not limited to the following: (1) The carrier must receive the material from a licensee; (2) The vehicle must be placarded; (3) No more than forty (40) units will be transported in any one vehicle; and (4) The carrier must notify the Agency in the event of an accident.

[F.R. Doc. 61-9372; Filed, Sept. 28, 1961; 8:49 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 812-1446]

INTERNATIONAL AFRICAN AMERICAN CORP.

Notice of Filing of Application for Order Exempting Transactions In- volving Affiliates

OCTOBER 17, 1961.

Notice is hereby given that International African American Corporation, New York, N.Y. ("IAAC"), a Delaware corporation, and a closed-end nondiversified investment company registered under the Investment Company Act of 1940 ("Act") has filed an application for an order pursuant to section 17(b) of the Act exempting from the provisions of section 17(a) of the Act the exercise of certain options to purchase securities from certain affiliated persons and the subsequent sale of such securities to affiliated persons, as hereinafter described.

The application contains the following representations:

IAAC was organized for the purpose of acquiring, exploring, and developing a mining concession in Liberia. In September 1953, IAAC obtained a mining concession from the Liberian government and organized a company now called The Liberian American-Swedish Minerals Company ("LAMCO"), a Liberian corporation, to operate the concession. LAMCO issued 50 percent of its capital stock to IAAC and the remaining 50 percent was issued to the Liberian government in lieu of all taxes otherwise payable by LAMCO. Subsequently, IAAC transferred one-half of its interest in LAMCO, equivalent to 25 percent of LAMCO's outstanding stock, to a group of six large Swedish industrial concerns known as the Swedish Lamco Syndicate ("Syndicate"), with which IAAC had no affiliation.

The interests of IAAC and the Syndicate in LAMCO were subsequently transferred to Liberian Iron Ore Limited ("LIO"), a Canadian corporation organized by IAAC and the Syndicate for this purpose. Upon its organization, LIO's stock was 40 percent owned by IAAC and the remaining 60 percent was held by the Syndicate. The increase in the Syndicate's participation was in pursuance of a contract that, among other things, committed the Syndicate to provide certain financing for the development of the concession. IAAC's interest in LIO has been further reduced as a result of additional investments by the Syndicate that IAAC was financially unable to match. At the present time, IAAC owns approximately 16 percent of LIO's stock.

In 1958, Bethlehem Steel Corporation obtained a 25 percent interest in the concession by entering into a joint venture with LAMCO to develop the concession. By June 14, 1961, arrangements were completed for the financing of LAMCO's portion of the expenses of the joint venture under which approximately \$125,000,000 is to be made available to LAMCO for further development of the concession.

During the period prior to June 14, 1961, when the concession was being financed principally by IAAC and the Syndicate, these parties entered into various agreements under which additional LIO or LAMCO securities were to be issued in return for advances or investments by IAAC and the Syndicate. These agreements also contemplated that IAAC should be granted options to permit it to regain a portion of its former equity interest in LIO and LAMCO if it became financially able to do so. The latest of such agreements granted IAAC the following options:

(a) Options to purchase from LIO all or any part of 40,000 LIO shares for an option price in cash of \$10 per share.

(b) Options to purchase from the Syndicate all or any part of 237,412 LIO shares for an option price in cash equal to \$15 per share plus interest at the rate of 6 percent per annum from December 31, 1960, to the date of payment of the option price.

(c) Options to purchase from the Syndicate all or any part of \$6,000,000 of LAMCO debentures and 180,000 LIO

shares in units consisting of three LIO shares and one \$100 principal amount LAMCO debenture at an option price in cash of \$100 plus accrued interest for each unit.

The options were acquired by IAAC from the Syndicate and LIO at IAAC's insistence and represent the result of arms-length bargaining between IAAC and the Syndicate. The options are exercisable by IAAC at any time through January 22, 1962.

IAAC does not have the financial resources to exercise these above-mentioned options, but it believes that the options may be of value. Accordingly, it proposes to issue to its stockholders, pro rata and without cost, three classes of transferable rights certificates representing rights to purchase the stock and debentures covered by each of the three classes of options at IAAC's exercise prices. To the extent that holders of rights certificates exercise their rights and remit the option price, IAAC will exercise the requisite options held by it and acquire LIO shares and LAMCO debentures, which IAAC will deliver to the persons exercising said rights. The sale of the securities underlying the options will be made pursuant to a registration statement filed by LIO and LAMCO, under the Securities Act of 1933. Some of IAAC's stockholders who may wish to exercise such rights are affiliated persons of IAAC.

Upon the expiration of the rights, IAAC may sell unexercised options or exercise such options and sell the securities acquired on such exercise. IAAC proposes to sell and not to retain any securities acquired by it on exercise of unexercised options and will exercise such options only if the securities thus acquired can be resold at a profit. Any such sales by IAAC will be made to non-affiliated persons and will comply with the Securities Act of 1933.

LIO is an affiliated person of IAAC and the Syndicate is an affiliated person of LIO under the definition of affiliated person as set forth in section 2(a)(3) of the Act.

Section 17(a) of the Act prohibits an affiliated person of a registered investment company, or an affiliated person of such a person from selling to or purchasing from such registered investment company any security or other property, subject to certain exceptions, unless the Commission upon application pursuant to section 17(b) grants an exemption from the provisions of section 17(a), after finding that the terms of the proposed transaction, including the consideration to be paid, are reasonable and fair and do not involve overreaching on the part of any person concerned, that the proposed transaction is consistent with the policy of each registered investment company concerned, as recited in its registration statement and reports filed under the Act, and is consistent with the general purposes of the Act.

As stated above, IAAC believes that the above-mentioned options may be of value. Since IAAC is financially unable to exercise these options, it seeks to pass them through to its stockholders. In

effect, IAAC will be a conduit through which the LIO and LAMCO securities which IAAC has options to purchase will pass from the Syndicate and LIO to those IAAC stockholders who exercise the rights issued to them pro rata by IAAC.

IAAC seeks an order of the Commission pursuant to section 17(b) of the Act exempting from the provisions of section 17(a) of the Act (1) the exercise of its options to purchase LIO and LAMCO securities from the Syndicate and LIO and (2) the purchase by affiliated persons of IAAC of the LIO and LAMCO securities which IAAC will receive upon the exercise of the options.

Notice is further given that any interested person may, not later than October 30, 1961, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date, as provided by Rule O-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the showing contained in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 61-10058; Filed, Oct. 19, 1961;
8:50 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

OCTOBER 17, 1961.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 37409: *Petroleum products from Stephens, Ark., to WTL territory points.* Filed by Southwestern Freight Bureau, Agent (No. B-8097), for interested carriers. Rates on petroleum products, in carloads and tank-car loads, as described in the application, from Stephens, Ark., to points in Colorado, New Mexico, Utah and Wyoming.

Grounds for relief: Market competition and grouping.

Tariff: Supplement 169 to Southwestern Freight Bureau tariff I.C.C. 4066.

FSA No. 37410: *Asphalt from points in Montana to points in Minnesota.* Filed by Great Northern Railway Company (No. 1075), and the Northern Pacific Railway Company (No. 120), jointly, for themselves. Rates on asphalt (asphaltum), natural, byproduct or petroleum (other than paint, stain or varnish), in tank-car loads, subject to minimum of 20 cars per shipment, from Billings, East Billings, Great Falls, and Laurel, Mont., to Minneapolis, Minnesota, Transfer, and St. Paul, Minn.

Grounds for relief: Rail carrier competition.

Tariffs: Supplement 35 to Great Northern Railway Company tariff I.C.C. A-8854 and supplement 8 to Northern Pacific Railway Company tariff I.C.C. 9977.

By the Commission.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 61-10022; Filed, Oct. 19, 1961;
8:48 a.m.]

[Notice 556]

MOTOR CARRIER TRANSFER PROCEEDINGS

OCTOBER 17, 1961.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 64502. By order of October 11, 1961, the Transfer Board approved the transfer to H. F. Fine, doing business as Fort Smith-Sallisaw Transfer, Fort Smith, Ark., of Certificate No. MC 74361 issued September 14, 1960, to E. W. Cunningham, doing business as Fort Smith-Sallisaw Transfer, Fort Smith, Ark., authorizing the transportation of general commodities, excluding household goods and commodities in bulk, over regular routes, between Sallisaw, Okla., and Fort Smith, Ark., serving all intermediate points, and off-route point of Hanson, Okla.; between Sallisaw, Okla., and Vian, Okla., serving all intermediate points; and between Vian, Okla., and Eufaula, Okla., serving the intermediate points of Gore, Warner, and Checotah, Okla., and the off-route point

of Webbers Falls, Okla. Thomas Harper, P.O. Box 297, Fort Smith, Ark., attorney for applicants.

No. MC-FC 64527. By order of October 12, 1961, the Transfer Board approved the transfer to Robert Nelson Hines, doing business as Centre Carriers, Bellefonte, Pa., of a portion of Certificate No. MC 30244, issued November 4, 1947, to Shoemaker Brothers, Inc., State College, Pa., authorizing the transportation of: Clay products, from points in Centre County, Pa., to points in Massachusetts, Connecticut, New York, New Jersey, Ohio, Delaware, Maryland, and West Virginia; fertilizer, from Baltimore, Md., to points in Centre County, Pa.; petroleum products, in containers, from Paulsboro, N.J., and Brooklyn, N.Y., to points in Blair, Bedford, Cambria, Centre, Clearfield, Lycoming, Mifflin, and Northumberland Counties, Pa.; household goods, between State College, Pa., and points within 40 miles of State College, on the one hand, and, on the other, points in Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Maryland, Ohio, West Virginia, Michigan, and the District of Columbia; and machinery, between points in Centre County, Pa., on the one hand, and, on the other, points in New York, New Jersey, Ohio, West Virginia, and the District of Columbia. John W. Frame, 603 North Front Street, Harrisburg, Pa., representative for applicants.

No. MC-FC 64529. By order of October 11, 1961, the Transfer Board approved the transfer to Kuhlman Truck Line, Inc., Elmore, Ohio, of Certificate No. MC 15394, issued October 21, 1940, to C. J. Kuhlman, doing business as Kuhlman Truck Line, Elmore, Ohio, authorizing the transportation of: General commodities, excluding household goods, commodities in bulk, and other specified commodities, between Elmore, Ohio, and Toledo, Ohio. Taylor C. Burneson, 50 West Broad Street, Columbus 15, Ohio, attorney for applicants.

No. MC-FC 64531. By order of October 11, 1961, the Transfer Board approved the transfer to Anzac Transportation Co., a corporation, Gallup, N. Mex., of Certificate in No. MC 88080, issued March 31, 1960, to Smith-Haywood Lines, a corporation, Phoenix, Ariz., authorizing the transportation of: Passengers and their baggage, and mail and express in the same vehicle with passengers, over regular routes, between Gallup, N. Mex., and Chinle, Ariz., serving all intermediate points; between Fort Defiance, Ariz., and Sawmill, Ariz., serving all intermediate points, and passengers and their baggage, over irregular routes, restricted to traffic originating at the point indicated, in special or charter service, from Gallup, N. Mex., to points in Arizona and New Mexico, and return. Earl H. Carroll, 33 North First Avenue, Phoenix 3, Ariz., attorney for Transferor.

No. MC-FC 64539. By order of October 11, 1961, the Transfer Board approved the transfer to Dale I. Burt, doing business as Clay Center Freight Service, Clay Center, Kans., of Certificate No. MC 108517, issued February 1, 1950 to Harold Olsen, doing business as Clay Center Freight Service, Clay Center, Kans., authorizing the transportation over irregular routes of general commodities, excluding household goods and commodities in bulk, between Clay Center, Kans., and Kansas City, Mo., with service authorized to and from the off-route point of North Kansas City, Mo., and the intermediate point of Kansas City, Kans.; livestock, from Clay Center, Kans., and points within 25 miles of Clay Center to St. Joseph, Mo.; between Clay Center, Kans., and points within 25 miles of Clay Center, on the one hand, and, on the other, Kansas City, Kans., and Kansas City and North Kansas City, Mo.; between Barnes, Kans., and points within 15 miles of Barnes, on the one hand, and, on the other, Kansas City, Kans., and Kansas City and St. Joseph, Mo.; grain, hides, and containers for petroleum products, from Barnes, Kans., and points within 15 miles of Barnes, to Kansas City, Kans., and Kansas City and St. Joseph, Mo.; feed, agricultural implements and parts, twine, petroleum, products in containers, hardware, fencing, and building and fencing material, from Kansas City, Mo., and Kansas City, Kans., to Barnes, Kans., and points within 15 miles of Barnes.

No. MC-FC 64545. By order of October 11, 1961, the Transfer Board approved the transfer to Seuring Transit, Inc., Minneapolis 4, Minn., of Certificate No. MC 123131 issued August 15, 1961, to R. C. Wilson, doing business as Wilson Truck Service, Warren, Ill., authorizing the transportation, over irregular routes, of Fertilizer, in containers, animal feed, poultry feed, twine, and drain tile, from Dubuque and Clinton, Iowa, Duluth, Minn., and points in Illinois (except those in the Chicago, Ill., Commercial Zone, and Moline, East Moline, and Rock Island), to points within seven miles of Gratiot, Wis. (except Wiota, Wis., and points on and within one mile of Wisconsin Highway 11); and building materials, from Dubuque and Clinton, Iowa and points in Illinois (except Moline, East Moline and Rock Island), to points in Illinois within seven miles of Gratiot, Wis.; and returned shipments of the above-described commodities, from the destination points specified in the above. Robert W. Sawyer, 2424 Minnehaha Avenue, Minneapolis 4, Minn., representative for applicants.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 61-10023; Filed, Oct. 19, 1961;
8:48 a.m.]

CUMULATIVE CODIFICATION GUIDE—OCTOBER

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published to date during October.

3 CFR	Page	7 CFR—Continued	Page	14 CFR	Page
PROCLAMATIONS:		PROPOSED RULES—Continued		40	9669
3435	9397	717	9513	41	9669
3436	9451	723	9651	42	9669
3437	9451	725	9651	43	9669
EXECUTIVE ORDERS:		727	9651, 9678	60	9547
8685	9755	815	9781	221	9310
10784	9375	817	9513	507	9310,
10858	9667	902	9588		9335, 9670, 9671, 9746, 9816, 9847
10965	9451	908	9860	600	9311, 9335, 9336, 9581,
10966	9667	911	9782		9582, 9630, 9707, 9746, 9817, 9848
10967	9667	913	9717	601	9335, 9336, 9413,
10968	9667	916	9514		9508, 9548, 9582, 9630, 9631, 9707,
10969	9667	918	9860		9708, 9746, 9747, 9817, 9848, 9849
PRESIDENTIAL DOCUMENTS OTHER		924	9514	602	9709, 9849
THAN PROCLAMATIONS AND EXEC-		927	9415, 9555	608	9336, 9747
UTIVE ORDERS:		933	9833	609	9377
Letters, Sept. 30, 1961	9375	935	9717	610	9849
5 CFR		943	9863	620	9709
6	9382,	966	9865	625	9671
9504, 9578, 9627, 9668, 9771,	9847	973	9751	PROPOSED RULES:	
24	9745	985	9514	40	9430
27	9578	994	9869	41	9430
89	9809	1013	9717	42	9430
6 CFR		1015	9514	249	9753
50	9703	1019	9591	507	9680
70	9382	1031	9677	514	9347
331	9307	1032	9677	600	9325, 9431, 9515, 9555,
332	9307	1035	9514		9556, 9681, 9732, 9784, 9785, 9833
333	9307	1070	9555	601	9386, 9515,
351	9307	8 CFR			9517, 9556, 9681, 9753, 9785, 9833
352	9307	103	9406	608	9431, 9732, 9754, 9785
354	9307	212	9407	15 CFR	
361	9545	242	9407	50	9511
371	9545	245	9407	16 CFR	
372	9545	249	9407	PROPOSED RULES:	
375	9308	299	9407, 9669	61	9682
421	9308, 9627	340	9407	17 CFR	
443	9382	PROPOSED RULES:		240	9629
464	9504	214	9677	18 CFR	
503	9668	242	9858	PROPOSED RULES:	
7 CFR		243	9859	154	9732
27	9333	245	9859	157	9732
301	9504	249	9860	19 CFR	
319	9333, 9406	299	9860	6	9550
353	9745	9 CFR		21 CFR	
722	9703, 9704	17	9772	120	9336, 9337, 9409
725	9505	72	9508, 9847	121	9337,
728	9546, 9627	74	9309		9338, 9410-9412, 9548, 9715, 9856
729	9628, 9814	77	9847	305	9715
775	9814	PROPOSED RULES:		PROPOSED RULES:	
813	9382	201	9780	120	9428, 9732, 9834
820	9771	931	9347	121	9428,
874	9578	10 CFR			9601, 9602, 9678, 9834, 9873
902	9334	50	9546	141e	9873
903	9309	PROPOSED RULES:		22 CFR	
911	9334	9	9386	41	9548
922	9505, 9581, 9705	20	9386	42	9548
933	9506	50	9653	24 CFR	
942	9507	55	9653	201	9311
943	9334	115	9653	203	9311, 9578
953	9507, 9706	150	9428, 9678, 9873	207	9312
955	9706, 9852	12 CFR		213	9313
989	9815	208	9408	220	9313
992	9508	545	9409, 9547	221	9315
997	9406	PROPOSED RULES:		222	9318
1026	9309	221	9733	223	9318
1072	9668	563	9557	231	9318
PROPOSED RULES:		13 CFR		232	9318
301	9780, 9781	105	9745		
319	9513				

24 CFR—Continued

233	9319
234	9319
803	9320
809	9320
810	9320

25 CFR

50	9582
----	------

26 CFR

1	9631
48	9575
49	9575
148	9575

PROPOSED RULES:

1	9428
---	------

28 CFR

11	9509
----	------

29 CFR

408	9772
522	9583
601	9825
602	9823
603	9820
604	9824
606	9820
608	9822
609	9827
610	9819
611	9826
612	9824
613	9826
614	9820
615	9823
616	9818
619	9818
657	9827
661	9773
670	9819
671	9774
672	9774, 9827
673	9820
675	9823
677	9825
678	9825
683	9511
687	9776, 9823
688	9818
689	9776, 9826
690	9820
699	9550, 9826

PROPOSED RULES:

403	9784
601	9555
608	9555

30 CFR

1	9827
---	------

31 CFR

54	9551
80	9551
92	9551

31 CFR—Continued

202	9338
203	9338

32 CFR

1	9633
2	9634
3	9635
4	9636
5	9637
6	9637
7	9638
8	9639
9	9639
11	9640
12	9640
13	9641
15	9641
16	9643
30	9644
552	9747
711	9407
713	9453, 9855
730	9529
754	9776
761	9503
1459	9338
1471	9503
1473	9503
1498	9503

33 CFR

16	9321
17	9321
203	9385
204	9673, 9748

35 CFR

4	9644
16	9584

36 CFR

1	9748
251	9376

37 CFR

1	9514
---	------

38 CFR

3	9674
---	------

39 CFR

25	9714
98	9645
151	9857
168	9551, 9857

41 CFR

1-2	9852
1-7	9853
1-16	9853
2-1	9675
2-3	9675
2-9	9675
5-1	9749
5-3	9749

41 CFR—Continued

5-7	9553
5-53	9553
51-1	9714

42 CFR

34	9856
----	------

43 CFR

148	9831
-----	------

PUBLIC LAND ORDERS:

2423	9385
2427	9832
2468	9749
2513	9385
2514	9583
2515	9646
2516	9832

45 CFR

114	9777
-----	------

46 CFR

244	9586
310	9322
401	9646

PROPOSED RULES:

201	9600, 9732
206	9600, 9732
221	9600, 9732
298	9600, 9732
299	9600, 9732
502	9602

47 CFR

2	9552
3	9338
4	9777, 9778
7	9552
8	9552
11	9412, 9413, 9816
12	9676
31	9778

PROPOSED RULES:

3	9348, 9514, 9681, 9788
---	------------------------

49 CFR

72	9398
73	9398
74	9404
77	9404
78	9404, 9586
170	9321

PROPOSED RULES:

131	9682
170	9349
174a	9602
176	9786
197	9833

50 CFR

32	9322, 9323, 9339, 9345, 9376, 9413, 9512, 9554, 9586, 9648-9650, 9749
33	9413

PROPOSED RULES:

32	9651
----	------



FEDERAL REGISTER

Telephone

WOrth 3-3261

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Office of the Federal Register, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U.S.C., ch. 8B), under regulations of the Federal Register, approved by the President. Distribution is made only by the Government Printing Office, Washington 25, D.C.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for \$1.50 per month or \$15.00 per year, payable in advance. The charge for individual copies (minimum 15 cents) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D.C.

The regulatory material appearing herein is keyed to the CODE OF FEDERAL REGULATIONS, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended August 5, 1953. The CODE OF FEDERAL REGULATIONS is sold by the Superintendent of Documents. Prices of books and pocket supplements vary.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER, or the CODE OF FEDERAL REGULATIONS.

